

103D CONGRESS  
2D SESSION

# S. 2134

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

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## IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, MAY 16), 1994

Mr. FAIRCLOTH (for himself, Mr. GRASSLEY, Mr. BROWN, Mr. DOLE, Mr. LOTT, Mr. WALLOP, Mr. SMITH, Mr. KEMPTHORNE, Mr. BURNS, Mr. NICKLES, Mr. THURMOND, Mr. HELMS, Mr. CRAIG, Mr. HATCH, Mr. MCCONNELL, and Mr. D'AMATO) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To restore the American family, reduce illegitimacy, and reduce welfare dependence.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Welfare Reform Act  
5 of 1994".

6 **SEC. 2. REFERENCES IN ACT; TABLE OF CONTENTS.**

7 (a) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-  
8 cept as otherwise specifically provided, whenever in this  
9 Act an amendment is expressed in terms of an amendment

1 to or repeal of a section or other provision, the reference  
 2 shall be considered to be made to that section or other  
 3 provision of the Social Security Act.

4 (b) TABLE OF CONTENTS.—The table of contents is  
 5 as follows:

Sec. 1. Short title.

Sec. 2. References in Act; table of contents.

#### TITLE I—WORK REQUIREMENTS FOR WELFARE RECIPIENTS

Sec. 101. Reform of the job opportunities and basic skills training program.

Sec. 102. Work requirement for able-bodied non-parents in food stamp program.

Sec. 103. Requirement that certain AFDC applicants conduct job search activities.

Sec. 104. Effective date.

#### TITLE II—PROMOTION OF MARRIAGE AND SOCIAL RESPONSIBILITY

##### Subtitle A—Welfare Benefits

Sec. 201. Promotion of families.

Sec. 202. Benefit provisions regarding additional children.

Sec. 203. Provisions relating to paternity establishment.

##### Subtitle B—Grants for Assistance to Children Born Out-Of-Wedlock

Sec. 211. Grants to States.

##### Subtitle C—Tax Credit for Certain Low-Income Families

Sec. 221. Additional earned income credit for married individuals.

##### Subtitle D—Expansion of Abstinence Education

Sec. 231. Abstinence education grants.

#### TITLE III—CHILD SUPPORT ENFORCEMENT

Sec. 301. National reporting of information relating to child support with respect to certain employees.

Sec. 302. State information systems.

Sec. 303. National information systems.

Sec. 304. Income withholding.

Sec. 305. Uniform terms in orders.

Sec. 306. Improvements in paternity establishment.

Sec. 307. Waiver of fee for certain individuals receiving child support collection or paternity determination services.

#### TITLE IV—SPECIFIC REFORMS IN WELFARE SPENDING

Sec. 401. Income eligibility guidelines for school lunch and breakfast programs.

- Sec. 402. Repeal of expansions to food stamp program.
- Sec. 403. Repeal of empowerment zones and enterprise communities.
- Sec. 404. Reduction of benefits to AFDC families who also receive public housing benefits.
- Sec. 405. Repeal of the Davis-Bacon Act.
- Sec. 406. Reduction of social services block grants.
- Sec. 407. Restrictions on welfare benefits provided to aliens.
- Sec. 408. Replacement of cash benefit with medical vouchers.
- Sec. 409. Disability review required for SSI recipients who are 18 years of age.
- Sec. 410. Amount of funds available for low-income home energy assistance.

#### TITLE V—STATE OPTIONS AND MISCELLANEOUS PROVISIONS

- Sec. 501. Option to time limit welfare.
- Sec. 502. Option to treat interstate immigrants under rules of former State with respect to AFDC benefits.
- Sec. 503. Evaluation of training programs.
- Sec. 504. Elimination of welfare benefits with respect to fugitive felons and probation and parole violators.

#### TITLE VI—CAPPING THE AGGREGATE GROWTH OF WELFARE SPENDING

- Sec. 601. Cap on growth of Federal spending on certain welfare programs.
- Sec. 602. Establishment of welfare block grant program.
- Sec. 603. Conversion of funding under certain welfare programs.
- Sec. 604. Savings from welfare spending limits to be used for deficit reduction.
- Sec. 605. Special rules with respect to grants for assistance to children born out-of-wedlock.
- Sec. 606. Eligibility under the medicaid program.

## 1 **TITLE I—WORK REQUIREMENTS** 2 **FOR WELFARE RECIPIENTS**

### 3 **SEC. 101. REFORM OF THE JOB OPPORTUNITIES AND BASIC** 4 **SKILLS TRAINING PROGRAM.**

#### 5 (a) AMENDMENT TO STATE PLAN REQUIREMENT.—

6 Section 402(a)(19) (42 U.S.C. 602(a)(19)) is amended to  
7 read as follows:

8 “(19) provide that the State has in effect and  
9 operation a welfare and dependency reduction pro-  
10 gram which meets the requirements of part F;”.

#### 11 (b) REPLACEMENT OF EXISTING PROGRAM WITH A 12 NEW PROGRAM.—

1 (1) IN GENERAL.—Part F of title IV (42  
2 U.S.C. 481 et seq.) is amended to read as follows:

3 “PART F—WORKFARE AND DEPENDENCY REDUCTION

4 PROGRAM

5 “PURPOSE OF PROGRAM

6 “SEC. 481. It is the purpose of this part to ensure  
7 that individuals receiving welfare assistance contribute  
8 services to their communities in exchange for such assist-  
9 ance.

10 “ESTABLISHMENT OF STATE PROGRAMS

11 “SEC. 482. As a condition of its participation in the  
12 program of aid to families with dependent children under  
13 part A, each State shall establish and operate a workfare  
14 and dependency reduction program (in this part referred  
15 to as the “program”) which meets the requirements of this  
16 part.

17 “PROGRAM PARTICIPATION REQUIREMENTS

18 “SEC. 483. (a) PARTICIPATION REQUIREMENTS FOR  
19 PARENTS IN THE AFDC UNEMPLOYED PARENT PRO-  
20 GRAM.—

21 “(1) PARTICIPATION REQUIREMENT FOR INDIVIDUALS.—In the case of any family eligible for aid  
22 to families with dependent children by reason of the  
23 unemployment of the parent who is the principal  
24 earner, the State shall require one parent to partici-  
25 pate in—  
26

1           “(A) the community work service program  
2           described in section 484 for not less than 32  
3           hours per week and to conduct job search ac-  
4           tivities for not less than 8 hours per week; or

5           “(B) the benefits to wages program de-  
6           scribed in section 485 for not less than 40  
7           hours per week.

8           “(2) PARTICIPATION RATE REQUIREMENT FOR  
9           STATES.—With respect to individuals described in  
10          paragraph (1), each State shall maintain a partici-  
11          pation rate (as determined under subsection (d)(1))  
12          of 95 percent for quarters during fiscal year 1995  
13          and succeeding fiscal years.

14          “(b) PARTICIPATION REQUIREMENT FOR CERTAIN  
15          NONCUSTODIAL PARENTS.—

16               “(1) PARTICIPATION REQUIREMENT FOR INDIV-  
17          VIDUALS.—

18               “(A) IN GENERAL.—A State shall require  
19               any individual described in subparagraph (B) to  
20               participate in a State community work service  
21               program described in section 484 in accordance  
22               with subparagraph (C).

23               “(B) INDIVIDUALS DESCRIBED.—An indi-  
24               vidual described in this subparagraph is an  
25               individual—

1 “(i) who resides in the State;

2 “(ii) whose place of residence or em-  
3 ployment is known by the State;

4 “(iii) who is the noncustodial parent  
5 of a dependent child receiving aid to fami-  
6 lies with dependent children under part A;  
7 and

8 “(iv) who is known by the State to  
9 have failed to pay required child support  
10 on behalf of such a child.

11 “(C) PARTICIPATION REQUIREMENTS.—If  
12 an individual described in subparagraph (B)—

13 “(i) is employed, such individual shall  
14 be required to work under the State com-  
15 munity work service program for not less  
16 than 16 hours per week; or

17 “(ii) is unemployed, such individual  
18 shall be required to—

19 “(I) work under the State com-  
20 munity work service program for not  
21 less than 24 hours per week; and

22 “(II) conduct job search activities  
23 for not less than 16 hours per week.

24 “(2) PARTICIPATION REQUIREMENT FOR  
25 STATES.—With respect to individuals described in

1 paragraph (1), each State shall maintain a partici-  
 2 pation rate (as determined under subsection (d)(2))  
 3 of—

4 “(A) 50 percent for quarters during fiscal  
 5 year 1995; and

6 “(B) 90 percent for quarters during fiscal  
 7 year 1996 and succeeding fiscal years.

8 “(c) PARTICIPATION REQUIREMENT FOR ADULT RE-  
 9 CIPIENTS OF AFDC IN SINGLE-ADULT FAMILIES.—

10 “(1) PARTICIPATION REQUIREMENT FOR INDIVIDUALS.—Except as provided in subsection (a), the  
 11 State shall require each adult recipient of aid to  
 12 families with dependent children in a single-adult  
 13 family to participate in—  
 14

15 “(A) the State community work service  
 16 program described in section 484 for not less  
 17 than 30 hours per week; or

18 “(B) the benefits to wages program de-  
 19 scribed in section 485 for not less than 30  
 20 hours per week.

21 “(2) PARTICIPATION REQUIREMENT ON  
 22 STATES.—With respect to individuals described in  
 23 paragraph (1), each State shall maintain a partici-  
 24 pation rate (as determined under subsection (d)(3))  
 25 of—

1                   “(A) 25 percent for calendar quarters dur-  
2                   ing fiscal year 1995; and

3                   “(B) 50 percent for calendar quarters dur-  
4                   ing fiscal year 1996 and succeeding fiscal years.

5                   “(3) WORK PRIORITY FOR FAMILIES WITH  
6                   OLDER CHILDREN.—

7                   “(A) IN GENERAL.—Except as provided in  
8                   section 402(a)(47)(A), if a single-adult family  
9                   includes at least one dependent child under age  
10                  5, the adult recipient in such family shall not  
11                  be required to participate in the program under  
12                  paragraph (1) unless at least 80 percent of all  
13                  adult recipients in single-adult families which  
14                  include only children age 5 or older are partici-  
15                  pating in the program.

16                  “(B) FAMILY STATUS.—Beginning on the  
17                  date which is 10 months after the date of the  
18                  enactment of the Welfare Reform Act of 1994,  
19                  a family that is classified by a State as a single-  
20                  adult family including only children age 5 or  
21                  older shall continue to be so classified regard-  
22                  less of whether an additional child under age 5  
23                  becomes a member of the family.

24                  “(4) STATE OPTION REGARDING PLACEMENT  
25                  OF INDIVIDUALS IN BENEFITS TO WAGES PRO-

GRAM.—The State may conduct a job placement program under which the State contracts with private entities to place individuals described in paragraph (1) with qualified employers under the benefits to wages program under section 485.

“(5) STATE OPTION TO PROVIDE EDUCATIONAL ACTIVITIES OR JOB SKILLS TRAINING PROGRAM.— Subject to the approval of the Secretary, a State may require not more than 20 percent of the adult recipients required to participate in the program under paragraph (2), on average during any quarter, to conduct educational or job skills training.

“(6) NONSUBSIDIZED EMPLOYMENT COUNTABLE AS PARTICIPATION.—

“(A) IN GENERAL.—An adult recipient may satisfy the 30-hour per week work requirement under paragraph (1)(A) by working solely in nonsubsidized employment or by combining hours worked under a community work service program and hours worked in nonsubsidized employment.

“(B) NONSUBSIDIZED EMPLOYMENT.—For purposes of subparagraph (A), the term ‘nonsubsidized employment’ means employment with a private employer for wages.

1           “(7) ADULT RECIPIENT.—For purposes of this  
2 subsection—

3           “(A) IN GENERAL.—Except as provided in  
4 subparagraph (B), the term ‘adult recipient’  
5 means an individual whose needs are met in  
6 whole or part with payments of aid to families  
7 with dependent children.

8           “(B) INDIVIDUALS EXCLUDED.—The term  
9 ‘adult recipient’ shall not include—

10           “(i) a dependent child (unless such  
11 child is the custodial parent of another de-  
12 pendent child); or

13           “(ii) any parent who is a member of  
14 a family eligible for aid to families with de-  
15 pendent children by reason of the unem-  
16 ployment of the parent who is the principal  
17 earner.

18           “(8) SINGLE-ADULT FAMILY.—For purposes of  
19 this subsection, the term ‘single-adult family’ means  
20 a family receiving aid to families with dependent  
21 children which includes one adult recipient and at  
22 least one dependent child.

23           “(d) INDIVIDUAL OPTION TO USE VOUCHERS.—

24           “(1) IN GENERAL.—

1           “(A) OPTION PERMITTED.—If an unem-  
2           ployed parent described in subsection (a) or an  
3           adult parent in a single adult family described  
4           in subsection (c) is required by a State to par-  
5           ticipate in the State benefits to wages program  
6           in order to ensure that the State meets the par-  
7           ticipation requirements under subsection (a)(2)  
8           or (c)(2), such individual shall have an option  
9           to participate in such program using a voucher  
10          (in the amount determined under subparagraph  
11          (B)) that is payable to the employer which em-  
12          ploys the individual.

13           “(B) AMOUNT OF VOUCHER.—For pur-  
14          poses of subparagraph (A), the amount of a  
15          voucher shall be an amount equivalent to the  
16          amount of the wage subsidy described in section  
17          485(c).

18           “(2) VOUCHERS SUBJECT TO REQUIREMENTS  
19          OF BENEFITS TO WAGES PROGRAM.—The require-  
20          ments of the benefits to wages program under sec-  
21          tion 485 shall apply to individuals or employers par-  
22          ticipating in such program using the vouchers de-  
23          scribed in paragraph (1)(A) in the same manner as  
24          such requirements would apply to any other individ-  
25          uals or employers participating in such program.

1           “(3) SPECIAL RULE RELATING TO INDIVIDUALS  
2 PARTICIPATING IN A COMMUNITY WORK SERVICE  
3 PROGRAM.—If an unemployed parent described in  
4 subsection (a) or an adult parent in a single adult  
5 family described in subsection (c) is participating in  
6 a State community work service program, such indi-  
7 vidual shall have the option to change such individ-  
8 ual’s participation to participation in the State bene-  
9 fits to wages program using the vouchers described  
10 in paragraph (1).

11           “(e) DETERMINATION OF PARTICIPATION RATES.—

12           “(1) UNEMPLOYED PARENTS.—A State’s par-  
13 ticipation rate for purposes of subsection (a)(2) shall  
14 be the number, expressed as a percentage, equal  
15 to—

16                   “(A) the average weekly number of individ-  
17 uals described in subsection (a)(1) who partici-  
18 pated in the program under this part during  
19 such quarter, divided by

20                   “(B) the average weekly number of such  
21 individuals who were required under subsection  
22 (a)(1) to participate in the program under the  
23 part during such quarter.

24           “(2) NONCUSTODIAL PARENTS.—A State’s par-  
25 ticipation rate for purposes of subsection (b)(2) shall

be the number, expressed as a percentage, equal to—

“(A) the average weekly number of individuals described in subsection (b)(1) who participated in the program under this part during such quarter, divided by

“(B) the average weekly number of such individuals who were required under subsection (b)(1) to participate in the program under the part during such quarter.

“(3) ADULT RECIPIENTS IN SINGLE-ADULT FAMILIES.—A State’s participation rate for purposes of subsection (c)(2) shall be the number, expressed as a percentage, equal to—

“(A) the average weekly number of individuals described in subsection (c)(1) who participated in the program under this part during such quarter, divided by

“(B) the average weekly number of such individuals who were required under subsection (c)(1) to participate in the program under this part.

“COMMUNITY WORK SERVICE PROGRAM

“SEC. 484. (a) IN GENERAL.—Each State with a plan approved under part A shall establish a community work service program.

1       “(b) PROGRAM DESCRIBED.—An individual partici-  
2     pating in a State community work service program shall  
3     work for a public or nonprofit private sector organization  
4     performing such tasks as determined appropriate by such  
5     organization.

6       “(c) ENCOURAGEMENT TO PROVIDE CHILD CARE  
7     SERVICES.—An individual participating in a State com-  
8     munity work service program may satisfy the applicable  
9     participation requirement under subsection (c)(1)(A) of  
10    section 483 if such individual provides child care services  
11    to other individuals participating in the program in the  
12    manner, and for the period of time each week, determined  
13    appropriate by the State.

14       “(d) MODIFICATION TO PAYMENT SCHEDULE FOR  
15    PARTICIPANTS.—Any payments of aid under part A or the  
16    Food Stamp Act of 1977 to the family of an individual  
17    participating in a State community work service program  
18    shall be made on a biweekly basis.

19       “(e) BENEFITS BASED ON PERFORMANCE.—If an in-  
20    dividual fails to meet the participation requirements im-  
21    posed on such individual under section 483 with respect  
22    to a State community work service program due to an un-  
23    excused absence, the amount of aid under part A and the  
24    Food Stamp Act of 1977 to be received by the family of  
25    the individual participating in such program shall be re-

1 duced in proportion to the number of hours of  
2 uncompleted work or job search under such program.

3 “BENEFITS TO WAGES PROGRAM

4 “SEC. 485. (a) IN GENERAL.—Each State with a  
5 plan approved under part A shall establish a benefits to  
6 wages program.

7 “(b) PROGRAM DESCRIBED.—Under a State benefits  
8 to wages program, an individual shall work for a qualified  
9 employer (as defined in subsection (d)) and the Secretary  
10 shall pay a wage subsidy in the amount determined under  
11 subsection (c) to such employer on behalf of such individ-  
12 ual. Such wage subsidy shall be in lieu of all or part of  
13 any benefits described in subsection (c) which the individ-  
14 ual would otherwise be eligible to receive. The State bene-  
15 fits to wages program shall be designed to place individ-  
16 uals participating in the program in long-term  
17 nonsubsidized employment.

18 “(c) AMOUNT OF WAGE SUBSIDY.—The amount of  
19 the wage subsidy for an individual for a month is an  
20 amount determined appropriate by the State which does  
21 not exceed the sum of—

22 “(1) the monthly amount that would otherwise  
23 be payable as aid to families with dependent children  
24 to the family of such individual, and

1           “(2) the monthly cash value of the food stamp  
2       benefits that would otherwise be available to such in-  
3       dividual’s household,  
4       determined as of the first day of the first full month of  
5       the employment of such individual by a qualified employer.

6       “(d) QUALIFIED EMPLOYER.—

7           “(1) IN GENERAL.—For purposes of this sub-  
8       section, an employer is qualified to receive a wage  
9       subsidy under this subsection if—

10           “(A) the employer is a private entity;

11           “(B) the employer is approved by the State  
12       to participate in its benefits to wages program;  
13       and

14           “(C) gross wages (as defined in section  
15       209 but without regard to any dollar limitation  
16       contained in such section) received by an indi-  
17       vidual participating in the benefits to wages  
18       program for any month are not less than the  
19       amount determined under paragraph (2).

20       “(2) WAGES BASED ON PERFORMANCE.—

21           “(A) IN GENERAL.—Except as provided in  
22       subparagraph (B), an employer shall pay to an  
23       individual participating in the benefits to wages  
24       program for any month an amount equal to the  
25       product of—

1 “(i) the greater of—

2 “(I) the hourly wage subsidy  
3 amount determined under subpara-  
4 graph (C); or

5 “(II) the greater of the Federal  
6 minimum wage or the applicable State  
7 minimum wage; and

8 “(ii) the number of hours worked by  
9 such individual during such month.

10 “(B) STATE OPTION.—Notwithstanding  
11 clause (i) of subparagraph (A), a State may re-  
12 quire an employer to pay an individual partici-  
13 pating in the benefits to wages program up to  
14 \$5 for each hour worked by such individual if  
15 the dollar amount of the hourly wage required  
16 to be paid by an employer under such clause is  
17 less than \$5.

18 “(C) HOURLY WAGE SUBSIDY AMOUNT.—  
19 The hourly wage subsidy amount determined  
20 under this subparagraph with respect to an in-  
21 dividual for any month is an amount equal to—

22 “(i) the amount of the wage subsidy  
23 under subsection (c); divided by

1                   “(ii) the number of hours the individ-  
2                   ual is required to work in the benefits to  
3                   wages program for the month.

4                   “(3) SELECTION OF EMPLOYERS.—In selecting  
5                   employers under subparagraph (B) of paragraph (1),  
6                   the State shall give priority to those employers dem-  
7                   onstrating an ability to place individuals in long-  
8                   term nonsubsidized employment.

9                   “(e) TREATMENT OF WAGES.—Under the State ben-  
10                  efits to wages program, wages paid to an individual by  
11                  a qualified employer shall be considered earned income for  
12                  purposes of any provision of law, except that such wages  
13                  shall not be taken into account in determining the eligi-  
14                  bility of such individual for the programs described in sub-  
15                  section (c) during such individual’s participation in the  
16                  program.

17                  “(f) USE OF FEDERAL FUNDS.—Notwithstanding  
18                  any other provision of law, for purposes of computing the  
19                  amount of the Federal payment to a State with respect  
20                  to any amount determined under subsection (c) with re-  
21                  spect to an individual, such amount shall be treated as  
22                  if paid to the individual under the applicable program.

23                  “(g) LIMIT ON PARTICIPATION.—

24                         “(1) IN GENERAL.—Except as provided in para-  
25                         graph (2), an individual’s participation in a State

1       benefits to wages program shall be limited to 18  
2       months.

3               “(2) STATE OPTION.—A State may reduce the  
4       number of months referred to in paragraph (1) as  
5       determined appropriate by the State.

6       “PENALTIES ON INDIVIDUALS WHO FAIL TO MEET

7                       PARTICIPATION REQUIREMENT

8       “SEC. 486. (a) IN GENERAL.—Except as provided in  
9       subsection (b) and section 484(e), the State shall have the  
10      option to impose a penalty on any individual who fails to  
11      adequately participate in the program consisting of—

12               “(1) a reduction in the amount of aid to fami-  
13      lies with dependent children received by the individ-  
14      ual’s family, as determined appropriate by the State;  
15      or

16               “(2) a denial of eligibility for such aid to the  
17      individual’s family on a temporary or permanent  
18      basis, as determined appropriate by the State.

19       “(b) PENALTIES RELATING TO NONCUSTODIAL PAR-  
20      ENTS.—

21               “(1) NO PENALTIES AGAINST FAMILY FOR NON-  
22      COMPLIANCE OF NONCUSTODIAL PARENT.—No pen-  
23      alty shall be imposed under this section or section  
24      484(e) against a family receiving aid to families with  
25      dependent children in the case of a noncustodial par-  
26      ent’s failure to comply with section 483(a).

1           “(2) PENALTY FOR CERTAIN NONCUSTODIAL  
 2 PARENTS.—If an individual described in paragraph  
 3 (1) of section 483(a) knowingly and willfully fails to  
 4 participate in a State community work service pro-  
 5 gram in accordance with such section, such individ-  
 6 ual shall be subject to imprisonment in accordance  
 7 with State law.

8           “NONDISPLACEMENT OF WORKERS

9           “SEC. 487. No organization or entity participating in  
 10 a State community work service program or a State bene-  
 11 fits to wages program shall replace any employed worker  
 12 with an individual participating in the program under this  
 13 part. Such an individual may be placed in any position  
 14 offered by such organization or entity—

15           “(1) that is a new position;

16           “(2) that is a position that became available in  
 17 the normal course of conducting the business of the  
 18 organization or entity; or

19           “(3) that involves performing work that would  
 20 otherwise be performed on an overtime basis by a  
 21 worker who is not an individual participating in the  
 22 program under this part.

23           (2) CONFORMING AMENDMENTS.—(A) Section  
 24 402(a) (42 U.S.C. 602(a)) is amended—

25           (i) by striking “and” at the end of para-  
 26 graph (44);

1           (ii) by striking the period at the end of  
2           paragraph (45) and inserting “; and”; and

3           (iii) by inserting after paragraph (45) the  
4           following new paragraph:

5           “(46) provide that the State agency shall pro-  
6           vide assurances satisfactory to the Secretary that  
7           the State has in effect laws providing for the impris-  
8           onment of any individual who fails to comply with  
9           section 483(b)(1) for a term determined appropriate  
10          by the State.”.

11          (B) Section 16 of the Food Stamp Act of 1977  
12          (7 U.S.C. 2025) is amended by adding at the end  
13          the following new subsection:

14          “(1) If a State agency of a State informs the Sec-  
15          retary that an individual who is participating in a benefits  
16          to wages program under the welfare and dependency re-  
17          duction program carried out under part F of title IV of  
18          the Social Security Act is a member of a household that  
19          participates in the food stamp program—

20                 “(1) the Secretary shall pay to the State an  
21                 amount equal to the value of the food stamp benefits  
22                 the household is otherwise eligible to receive under  
23                 this Act; and

24                 “(2) the State shall expend the amount in ac-  
25                 cordance with such part rather than for food stamp

1       benefits the household would receive but for the op-  
2       eration of this subsection.”.

3       (c) PAYMENTS TO STATES FOR WELFARE AND DE-  
4       PENDENCY REDUCTION PROGRAMS.—

5       (1) IN GENERAL.—Subsection (k) of section  
6       403 (42 U.S.C. 603) is amended to read as follows:

7       “(k)(1) For purposes of conducting its workfare and  
8       dependency reduction program under part F, a State shall  
9       receive payments for a calendar quarter in an amount  
10      equal to the sum of—

11           “(A) the product of—

12               “(i) the applicable dollar amount under  
13              paragraph (2)(A), and

14               “(ii) the average weekly number of individ-  
15              uals who are unemployed parents described in  
16              section 483(a)(1) who participated in the pro-  
17              gram under part F during such quarter;

18           “(B) the product of—

19               “(i) the applicable dollar amount under  
20              paragraph (2)(A), and

21               “(ii) the average weekly number of individ-  
22              uals who are noncustodial parents described in  
23              section 483(b)(1) who participated in the pro-  
24              gram under part F during such quarter; and

25           “(C) the product of—

1           “(i) the applicable dollar amount under  
2           paragraph (2)(B), and

3           “(ii) the average weekly number of individ-  
4           uals who are adult recipients of aid to families  
5           with dependent children in single-adult families  
6           described in section 483(c)(1) who participated  
7           in the program under part F during such quar-  
8           ter.

9           “(2)(A) For purposes of subparagraphs (A) and (B)  
10          of paragraph (1), the applicable dollar amount is—

11           “(i) for fiscal year 1995, \$250; and

12           “(ii) for fiscal year 1996 and succeeding fiscal  
13          years, the amount determined under this subpara-  
14          graph for the preceding fiscal year updated by the  
15          percentage change in the consumer price index for  
16          all urban consumers (United States city average)  
17          during such preceding fiscal year.

18           “(B)(i) Except as provided in clause (ii), for purposes  
19          of subparagraph (C) of paragraph (1), the applicable dol-  
20          lar amount is—

21           “(I) for fiscal year 1995, \$625; and

22           “(II) for fiscal year 1996 and succeeding fiscal  
23          years, the amount determined under this clause for  
24          the preceding fiscal year updated by the percentage  
25          change in the consumer price index for all urban

1 consumers (United States city average) during such  
2 preceding fiscal year.

3 “(ii) If an individual described in subparagraph (C)  
4 of paragraph (1) used a voucher under section 483(d) in  
5 connection with the individual’s participation in a benefits  
6 to wages program or was placed in a benefits to wages  
7 program under section 485 through a job placement pro-  
8 gram under section 483(c)(4), for purposes of such sub-  
9 paragraph, the applicable dollar amount is—

10 “(I) for fiscal year 1995, \$675; and

11 “(II) for fiscal year 1996 and succeeding fiscal  
12 years, the amount determined under this clause for  
13 the preceding fiscal year updated by the percentage  
14 change in the consumer price index for all urban  
15 consumers (United States city average) during such  
16 preceding fiscal year.

17 (2) CONFORMING AMENDMENT.—Section 403  
18 (42 U.S.C. 603) is amended by striking subsection  
19 (l).

20 (d) ADJUSTMENTS TO MATCHING PERCENTAGE FOR  
21 AFDC ADMINISTRATIVE COSTS.—

22 (1) IN GENERAL.—Section 403(a)(3) (42  
23 U.S.C. 603(a)(3)) is amended by striking “50 per-  
24 cent” and inserting “the applicable percentage for  
25 such quarter (as determined under subsection (o))”.

(2) APPLICABLE PERCENTAGE.—Section 403 (42 U.S.C. 603) is amended by adding at the end the following new subsection:

“(o)(1) The applicable percentage determined under this subsection for a quarter is a percentage equal to the average of the percentages determined under paragraph (2) for each category of individuals described in paragraph (3).

“(2) The percentage determined under this paragraph for a category of individuals described in paragraph (3) for a quarter is—

“(A) 50 percent if the average weekly number of individuals in the category who actually participate in the State’s workfare and dependency reduction program under part F during the quarter exceeds 99 percent of the average weekly number of individuals in the category required to participate in such program in accordance with the applicable State participation rate requirement for such category under section 483;

“(B) 40 percent, if the average weekly number of individuals in the category who actually participate in such program for a quarter is at least 90 percent but less than 100 percent of the average weekly number of individuals in the category re-

1       quired to participate in such program in accordance  
2       with the applicable State participation rate require-  
3       ment for such category under section 483;

4           “(C) 25 percent, if the average weekly number  
5       of individuals in the category who actually partici-  
6       pate in such program for a quarter is at least 70  
7       percent but less than 90 percent of the average  
8       weekly number of individuals in the category re-  
9       quired to participate in such program in accordance  
10      with the applicable State participation rate require-  
11      ment for such category under section 483; and

12          “(D) 0 percent, if the average weekly number  
13      of individuals in the category who actually partici-  
14      pate in such program for a quarter is less than 70  
15      percent of the average weekly number of individuals  
16      in the category required to participate in such pro-  
17      gram in accordance with the applicable State partici-  
18      pation rate requirement for such category under sec-  
19      tion 483.

20          “(3) The categories of individuals described in this  
21      paragraph are the following:

22           “(A) Individuals who are unemployed parents  
23      described in section 483(a)(1).

24           “(B) Individuals who are noncustodial parents  
25      described in section 483(b)(1).

1           “(C) Individuals who are adult recipients of aid  
2           to families with dependent children described in sec-  
3           tion 483(c)(1).”.

4           (e) EDUCATIONAL ACTIVITIES FOR CUSTODIAL PAR-  
5           ENTS UNDER 19.—Section 402(a) (42 U.S.C. 602(a)), as  
6           amended by subsection (b)(2), is amended—

7           (1) by striking “and” at the end of paragraph  
8           (45);

9           (2) by striking the period at the end of para-  
10          graph (46) and inserting “; and”; and

11          (3) by inserting after paragraph (46) the fol-  
12          lowing new paragraph:

13          “(47) provide that—

14               “(A) each custodial parent receiving aid  
15               under the plan who has not attained 19 years  
16               of age and has not successfully completed a  
17               high-school education (or its equivalent) shall  
18               participate in an educational activity; and

19               “(B) the State agency may—

20                   “(i) require a parent described in sub-  
21                   paragraph (A) to participate in educational  
22                   activities directed toward the attainment of  
23                   a high-school diploma or its equivalent on  
24                   a full-time (as defined by the educational  
25                   provider) basis; or

1                   “(ii) require a parent described in  
2                   subparagraph (A) to participate in training  
3                   or work activities (in lieu of the edu-  
4                   cational activities under such subpara-  
5                   graph) if such parent fails to make good  
6                   progress in successfully completing such  
7                   educational activities or if it is determined  
8                   (prior to any assignment of the individual  
9                   to such educational activities) pursuant to  
10                  an educational assessment that participa-  
11                  tion in such educational activities is inap-  
12                  propriate for such parent.”.

13           (f) AMENDMENTS REGARDING EARNED INCOME TAX  
14 CREDIT.—

15           (1) IN GENERAL.—Subsection (e) of section  
16           3507 of the Internal Revenue Code of 1986 (relating  
17           to earned income eligibility certificates) is amended  
18           by adding at the end the following new paragraph:

19                   “(6) SPECIAL RULE WITH RESPECT TO CER-  
20           TAIN EMPLOYEES.—An employer shall obtain an  
21           earned income eligibility certificate from each em-  
22           ployee who is employed by such employer under the  
23           benefits to wages program under section 485 of the  
24           Social Security Act.”.

1           (2) EFFECTIVE DATE.—The amendment made  
2       by paragraph (1) shall apply to taxable years begin-  
3       ning after December 31, 1994.

4       **SEC. 102. WORK REQUIREMENT FOR ABLE-BODIED NON-**  
5       **PARENTS IN FOOD STAMP PROGRAM.**

6       (a) IN GENERAL.—Section 6 of the Food Stamp Act  
7       of 1977 (7 U.S.C. 2015) is amended by adding at the end  
8       the following new subsection:

9       “(i)(1) Except as otherwise provided in this sub-  
10      section, no individual who is a member of a household that  
11      is otherwise eligible to receive food stamps shall be eligible  
12      to receive food stamps as a member of that or any other  
13      household if the individual has not performed at least 32  
14      hours of work on behalf of a State or a political subdivi-  
15      sion of a State, through a program established by the  
16      State or political subdivision, during the month preceding  
17      the month of an allotment.

18      “(2) A household member shall be exempt from the  
19      requirements of paragraph (1) if the member is—

20           “(A) a parent residing with a dependent child  
21      under 18 years of age;

22           “(B) a member of a household with responsibil-  
23      ity for the care of an incapacitated person;

24           “(C) mentally or physically unfit;

25           “(D) under 18 years of age; or

1           “(E) 63 years of age or older.

2           “(3) No State or political subdivision of a State par-  
3     ticipating in a program established under this subsection  
4     shall replace any employed worker with an individual par-  
5     ticipating in the program. Such an individual may be  
6     placed in any position offered by the State or political sub-  
7     division that—

8           “(A) is a new position;

9           “(B) is a position that became available in the  
10    normal course of conducting the business of the  
11    State or political subdivision; or

12          “(C) involves performing work that would oth-  
13    erwise be performed on an overtime basis by a work-  
14    er who is not an individual participating in the pro-  
15    gram established under this subsection.

16          “(4)(A) The Secretary shall make a monthly payment  
17    to each State and political subdivision of a State that oper-  
18    ates a program established under this subsection for the  
19    month preceding the month of an allotment.

20          “(B) The amount of a payment that is made to a  
21    State or political subdivision under subparagraph (A) shall  
22    equal the product obtained by multiplying—

23               “(i) \$20 (as adjusted under subparagraph (C));  
24    times

“(ii) the number of individuals who performed at least 32 hours of work on behalf of the State or political subdivision, through a program established by the State or political subdivision under this subsection, during the month preceding the month of the allotment.

“(C) The Secretary shall adjust the amount referred to in subparagraph (B)(i) on October 1, 1995, and each October 1 thereafter, to reflect changes in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary concerning the application of the Index to this paragraph, for the 12 months ending the preceding June 30.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 6(d)(4)(M)(ii) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(M)(ii)) is amended by striking “section 16 (a), (c), and (h)” and inserting “subsections (a) and (c) of section 16”.

(2) Section 16 of such Act (7 U.S.C. 2025) is amended—

(A) by striking subsection (h); and

(B) by redesignating subsections (i) and (j)

as subsections (h) and (i), respectively.

1           (3) Section 20 of such Act (7 U.S.C. 2029) is  
2 amended by striking subsection (g).

3           (4) Section 21 of such Act (7 U.S.C. 2030) is  
4 amended—

5           (A) in subsection (b)(4)(B)—

6                 (i) by striking “under—” and all that  
7 follows through “subsections (a)” in clause  
8 (i) and inserting “under subsections (a)”;  
9 and

10               (ii) by striking “program; and” and  
11 all that follows through “except that” and  
12 inserting “program, except that”; and

13           (B) in subsection (c)(2)(B), by striking  
14 “subsections (a), (g), and (h) of section 16”  
15 and inserting “subsections (a) and (g) of sec-  
16 tion 16”.

17           (5) Section 22(d)(1)(B)(ii) of such Act (7  
18 U.S.C. 2031(d)(1)(B)(ii)) is amended by striking  
19 “subsections (a), (g), (h)(2), and (h)(3) of section  
20 16” and inserting “subsections (a) and (g) of section  
21 16”.

22           (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall become effective 180 days after the date  
24 of enactment of this Act.

1 **SEC. 103. REQUIREMENT THAT CERTAIN AFDC APPLICANTS**  
2 **CONDUCT JOB SEARCH ACTIVITIES.**

3 (a) **DELAY IN BENEFIT FOR CERTAIN FAMILIES.—**

4 Section 402(a) (42 U.S.C. 602(a)), as amended by section  
5 101 (b)(2)(A) and (e), is amended—

6 (1) by striking “and” at the end of paragraph  
7 (46);

8 (2) by striking the period at the end of para-  
9 graph (47) and inserting “; and”; and

10 (3) by inserting after paragraph (47) the fol-  
11 lowing new paragraph:

12 “(48) provide that if a family is applying for  
13 aid under the plan and such family—

14 “(A) has sufficient liquid assets to meet  
15 the basic needs of the family for a 1-month pe-  
16 riod (as determined by the State); and

17 “(B) does not include any children under  
18 age 5;

19 such family shall not receive such aid until a mem-  
20 ber of the family who has attained age 18 has con-  
21 ducted job search activities determined appropriate  
22 by the State for a 1-month period.”.

23 (b) **JOB SEARCH REQUIREMENT FOR CERTAIN INDIVIDUALS.—**Section 402(a) (42 U.S.C. 602(a)), as amend-  
24 ed by section 101 (b)(2)(A) and (e) and subsection (a),  
25 is amended—  
26

1           (1) by striking “and” at the end of paragraph  
2           (47);

3           (2) by striking the period at the end of para-  
4           graph (48) and inserting “; and”; and

5           (3) by inserting after paragraph (48) the fol-  
6           lowing new paragraph:

7           “(49) provide that if a family applying for aid  
8           under the plan—

9                   “(A) is not described in paragraph (48),  
10           and

11                   “(B) does not include any children under  
12           age 5,

13           a member of the family who has attained age 18  
14           shall conduct job search activities determined appro-  
15           priate by the State during the first 1-month period  
16           for which the family receives such aid.”.

17   **SEC. 104. EFFECTIVE DATE.**

18           Except as otherwise specifically provided, the amend-  
19           ments made by this title shall take effect on October 1,  
20           1994.

# **TITLE II—PROMOTION OF MARRIAGE AND SOCIAL RESPONSIBILITY**

## **Subtitle A—Welfare Benefits**

### **SEC. 201. PROMOTION OF FAMILIES.**

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) marriage is the foundation of a successful society;

(2) marriage is an essential social institution which promotes the interests of children and society at large;

(3) the negative consequences of an out-of-wedlock birth on the child, the mother, and society are well documented as follows:

(A) the illegitimacy rate among black Americans was 26 percent in 1965, but today the rate is 68 percent and climbing;

(B) the illegitimacy rate among white Americans has risen tenfold, from 2.29 percent in 1960 to 22 percent today;

(C) the total of all out-of-wedlock births between 1970 and 1991 has risen from 10 percent to 30 percent and if the current trend con-

1 continues, 50 percent of all births by the year 2015  
2 will be out-of-wedlock;

3 (D) 82 percent of illegitimate births among  
4 whites are to women with a high school edu-  
5 cation or less;

6 (E) the one-parent family is six times more  
7 likely to be poor than the two-parent family;

8 (F) children born into families receiving  
9 welfare assistance are three times more likely to  
10 be on welfare when they reach adulthood;

11 (G) teenage single parent mothering is the  
12 single biggest contributor to low birth weight  
13 babies;

14 (H) children born out-of-wedlock are more  
15 likely to experience low verbal cognitive attain-  
16 ment, child abuse, and neglect;

17 (I) young people from single parent or  
18 stepparent families are two to three times more  
19 likely to have emotional or behavioral problems  
20 than those from intact families;

21 (J) young white women who were raised in  
22 a single parent family are 164 percent more  
23 likely to have children out-of-wedlock, 111 per-  
24 cent more likely to become parents as teen-

1           agers, and 92 percent more likely to have their  
2           marriages end in divorce;

3           (K) the younger the single parent mother,  
4           the less likely she is to finish high school;

5           (L) young women who have children before  
6           finishing high school are more likely to receive  
7           welfare assistance for a longer period of time;

8           (M) between 1985 and 1990, the public  
9           cost of births to teenage mothers under the aid  
10          to families with dependent children program,  
11          the food stamp program, and the medicaid pro-  
12          gram has been estimated at \$120 billion;

13          (N) the absence of a father in the life of  
14          a child has a negative effect on school perform-  
15          ance and peer adjustment;

16          (O) the likelihood that a young black man  
17          will engage in criminal activities doubles if he  
18          is raised without a father and triples if he lives  
19          in a neighborhood with a high concentration of  
20          single parent families; and

21          (P) the greater the incidence of single par-  
22          ent families in a neighborhood, the higher the  
23          incidence of violent crime and burglary; and

24          (4) in light of this demonstration of the crisis  
25          in our Nation, the reduction of out-of-wedlock births

1 is an important government interest and the policy  
 2 contained in provisions of this title address the cri-  
 3 sis.

4 (b) ELIMINATION OF AFDC BENEFITS TO YOUNG  
 5 UNWED PARENTS.—

6 (1) IN GENERAL.—

7 (A) STATE PLAN AMENDMENT.—Section  
 8 402(a) (42 U.S.C. 602(a)), as amended by sec-  
 9 tions 101 (b)(2)(A) and (e) and 103 (a) and  
 10 (b), is amended—

11 (i) by striking “and” at the end of  
 12 paragraph (48);

13 (ii) by striking the period at the end  
 14 of paragraph (49) and inserting “; and”;  
 15 and

16 (iii) by inserting after paragraph (49)  
 17 the following new paragraph:

18 “(50)(A) except as provided in subparagraph  
 19 (B), if a child is born to an individual who is unmar-  
 20 ried and who has not attained age 21 (or another  
 21 age that exceeds 21, as determined appropriate by  
 22 the State), aid to families with dependent children  
 23 under the State plan shall not be payable with re-  
 24 spect to the child and the parents of the child; and

“(B) provide that subparagraph (A) shall not apply—

“(i) if, after the birth of the child—

“(I) the custodian of the child marries an individual who assumes lawful paternity or permanent legal guardianship and financial responsibility for the child; or

“(II) the child is legally adopted;

“(ii) if the parents of the dependent child were married during the 10-month period preceding the birth of the child and 1 parent died prior to the birth of the child; or

“(iii) with respect to the child after the child has attained age 18.”.

(B) EFFECTIVE DATE.—The amendments made by subparagraph (A) shall apply to children born on or after the date that is 1 year after the date of the enactment of this Act.

(2) INCREASE IN APPLICABLE AGE.—

(A) IN GENERAL.—Section 402(a)(50)(A) (42 U.S.C. 602(a)(50)(A)), as added by paragraph (1), is amended by striking “21” each place it appears and inserting “26”.

(B) EFFECTIVE DATE.—The amendments made by subparagraph (A) shall apply to chil-

1           dren born on or after the date that is 4 years  
2           after the date of the enactment of this Act.

3           (c) FOOD STAMPS.—

4           (1) IN GENERAL.—

5           (A) ELIMINATION OF BENEFIT.—Section 6  
6           of the Food Stamp Act of 1977 (7 U.S.C.  
7           2015), as amended by section 102(a), is amend-  
8           ed by adding at the end the following new sub-  
9           section:

10          “(j)(1) Except as provided in paragraph (2), if a child  
11          is born to an individual who is unmarried and who has  
12          not attained age 21 (or another age that exceeds 21, as  
13          determined appropriate by the State), the child and the  
14          parents of the child shall be ineligible to receive food  
15          stamps.

16          “(2) Paragraph (1) shall not apply—

17               “(A) if after the birth of the child—

18                   “(i) the custodian of the child marries an  
19                   individual who assumes lawful paternity or per-  
20                   manent legal guardianship and financial respon-  
21                   sibility for the child; or

22                   “(ii) the child is legally adopted;

23               “(B) if the parents of the child were married  
24          during the 10-month period preceding the birth of

1 the child and 1 parent died prior to the birth of the  
2 child; or

3 “(C) with respect to the child after the child  
4 has attained age 18.”.

5 (B) CONFORMING AMENDMENT.—Para-  
6 graph (1) of the second sentence of section 3(o)  
7 of such Act (7 U.S.C. 2012(o)) is amended by  
8 inserting after the comma at the end the follow-  
9 ing: “except as provided in subsection (j) of sec-  
10 tion 6,”.

11 (C) EFFECTIVE DATE.—The amendments  
12 made by this paragraph shall apply to children  
13 born on or after the date that is 1 year after  
14 the date of enactment of this Act.

15 (2) INCREASE IN APPLICABLE AGE.—

16 (A) IN GENERAL.—Section 6(j)(1) of the  
17 Food Stamp Act of 1977 (as added by para-  
18 graph (1)) is amended by striking “21” each  
19 place it appears and inserting “26”.

20 (B) EFFECTIVE DATE.—The amendment  
21 made by this paragraph shall apply to children  
22 born on or after the date that is 4 years after  
23 the date of enactment of this Act.

24 (d) HOUSING PROGRAMS.—

25 (1) IN GENERAL.—

1 (A) PROMOTION OF FAMILIES.—The Unit-  
2 ed States Housing Act of 1937 (42 U.S.C.  
3 1437 et seq.) is amended—

4 (i) in section 6, by adding at the end  
5 the following new subsection:

6 “(q) PROMOTION OF FAMILIES.—

7 “(1) IN GENERAL.—Each contract described in  
8 subsection (a) shall provide that, if a child is born  
9 to an individual who is unmarried and who has not  
10 attained age 21, neither the child nor the parents of  
11 the child shall be eligible to receive assistance under  
12 this Act.

13 “(2) EXCEPTION.—Paragraph (1) shall not  
14 apply—

15 “(A) if after the birth of the child—

16 “(i) the custodian of the child marries  
17 an individual who assumes lawful paternity  
18 or permanent legal guardianship and fi-  
19 nancial responsibility for the child; or

20 “(ii) the child is legally adopted;

21 “(B) if the parents of the child were mar-  
22 ried during the 10-month period preceding the  
23 birth of the child and 1 parent died prior to the  
24 birth of the child; or

1           “(C) with respect to the child after the  
2           child has attained age 18.”; and

3                   (ii) in section 8, by adding at the end  
4           the following new subsection:

5           “(z) PROMOTION OF FAMILIES.—

6                   “(1) IN GENERAL.—Each contract to make as-  
7           sistance payments described in subsection (a) shall  
8           provide that, if a child is born to an individual who  
9           is unmarried and who has not attained age 21, nei-  
10          ther the child nor the parents of the child shall be  
11          eligible to receive assistance under this section.

12                   “(2) EXCEPTION.—Paragraph (1) shall not  
13          apply—

14                   “(A) if after the birth of the child—

15                           “(i) the custodian of the child marries  
16                   an individual who assumes lawful paternity  
17                   or permanent legal guardianship and fi-  
18                   nancial responsibility for the child; or

19                           “(ii) the child is legally adopted;

20                   “(B) if the parents of the child were mar-  
21           ried during the 10-month period preceding the  
22           birth of the child and 1 parent died prior to the  
23           birth of the child; or

24                   “(C) with respect to the child after the  
25           child has attained age 18.”.

1 (B) EFFECTIVE DATE.—The amendments  
2 made by subparagraph (A) shall apply to chil-  
3 dren born on or after the date that is 1 year  
4 after the date of the enactment of this Act.

5 (2) AUTOMATIC INCREASE IN APPLICABLE  
6 AGE.—

7 (A) IN GENERAL.—Section 6(q) of the  
8 United States Housing Act of 1937 (42 U.S.C.  
9 1437d(q)), as added by paragraph (1)(A)(i), is  
10 amended by striking “21” and inserting “26”.

11 (B) IN GENERAL.—Section 8(z) of the  
12 United States Housing Act of 1937 (42 U.S.C.  
13 1437f(z)), as added by paragraph (1)(A)(ii), is  
14 amended by striking “21” and inserting “26”.

15 (C) EFFECTIVE DATE.—The amendments  
16 made by this paragraph shall apply to children  
17 born on or after the date that is 4 years after  
18 the date of the enactment of this Act.

19 (3) DISCRETIONARY INCREASE IN APPLICABLE  
20 AGE.—Notwithstanding any other provision of law,  
21 beginning on the effective date of the amendments  
22 made by paragraph (1)(A), the Governor of each  
23 State shall have the option to increase the minimum  
24 age for assistance set forth in section 6(q) or 8(z)  
25 of United States Housing Act of 1937, as added by

1 paragraph (1)(A), for individuals residing in the  
2 State.

3 **SEC. 202. BENEFIT PROVISIONS REGARDING ADDITIONAL**  
4 **CHILDREN.**

5 (a) AFDC.—

6 (1) IN GENERAL.—Section 402(a) (42 U.S.C.  
7 602(a)), as amended by sections 101 (b)(2)(A) and  
8 (e), 103 (a) and (b), and 201(b), is amended—

9 (A) by striking “and” at the end of para-  
10 graph (49);

11 (B) by striking the period at the end of  
12 paragraph (50) and inserting “; and”; and

13 (C) by inserting after paragraph (50) the  
14 following new paragraph:

15 “(51)(A) provide that aid to families with de-  
16 pendent children under the State plan shall not be  
17 payable with respect to a child if the custodial par-  
18 ent of such child was, at the time of the child’s  
19 birth—

20 “(i) a recipient of aid under the State  
21 plan; or

22 “(ii) an individual who received such aid  
23 anytime during the 10-month period ending  
24 with the birth of the child; and

1           “(B) provide that subparagraph (A) shall not  
2           apply with respect to the child after the child has at-  
3           tained age 18.”.

4           (2) EFFECTIVE DATE.—The amendments made  
5           by paragraph (1) shall apply to children born on or  
6           after the date that is 1 year after the date of the  
7           enactment of this Act.

8           (b) FOOD STAMPS.—

9           (1) IN GENERAL.—Section 6 of the Food  
10          Stamp Act of 1977 (7 U.S.C. 2015), as amended by  
11          section 102(a) and 201(c), is amended by adding at  
12          the end the following new subsection:

13          “(k) If a child is born to a parent that is a recipient  
14          of aid to families with dependent children under a State  
15          plan under section 402 of the Social Security Act, or a  
16          parent who received such aid anytime during the 10-  
17          month period ending with the birth of the child, the child  
18          shall be ineligible to participate in the food stamp program  
19          until the child attains age 18.”.

20          (2) CONFORMING AMENDMENT.—Paragraph (1)  
21          of the second sentence of section 3(o) of such Act  
22          (7 U.S.C. 2012(o)), as amended by section  
23          201(c)(1)(B), is amended by striking “subsection  
24          (j)” and inserting “subsections (j) and (k)”.

(3) **EFFECTIVE DATE.**—The amendment made by paragraph (1) shall apply to children born on or after the date that is 1 year after the date of enactment of this Act.

**SEC. 203. PROVISIONS RELATING TO PATERNITY ESTABLISHMENT.**

(a) **IN GENERAL.**—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101(b)(2)(A) and (e), 103 (a) and (b), 201(b), and 202(a), is amended—

(1) by striking “and” at the end of paragraph (50);

(2) by striking the period at the end of paragraph (51) and inserting “; and”; and

(3) by inserting after paragraph (51) the following new paragraph:

“(52) provide that—

“(A) except as provided in subparagraphs (B) and (C), if a family applying for aid under this part includes a child who has not attained age 18 and who was born on or after January 1, 1993, with respect to whom paternity has not been established, aid to families with dependent children paid to such family under the State plan for any month shall be reduced—

1                   “(i) by the amount of aid allocable to  
2                   such child (until the child attains age 18);  
3                   and

4                   “(ii) if the parent or caretaker relative  
5                   of such child is not the parent or caretaker  
6                   relative of another child for whom aid is  
7                   available, by the amount of aid allocable to  
8                   such parent or caretaker relative;

9                   “(B) notwithstanding subparagraph (A),  
10                  aid under the State plan shall be available with  
11                  respect to a dependent child who is up to 4  
12                  months of age for whom paternity has not been  
13                  established if the parent or caretaker relative of  
14                  the child provides the name, address, and such  
15                  other identifying information as the State may  
16                  require of an individual who may be the father  
17                  of the child; and

18                  “(C) the State may exempt up to 10 per-  
19                  cent of all families applying for aid under this  
20                  part which include a child who was born on or  
21                  after January 1, 1993, and with respect to  
22                  whom paternity has not been established, from  
23                  the reduction imposed under subparagraph  
24                  (A).”.

1 (b) PROVISION OF AID IN VIOLATION OF PATERNITY  
 2 ESTABLISHMENT REQUIREMENTS.—Section 404 (42  
 3 U.S.C. 604) is amended by adding at the end the following  
 4 new subsection:

5 “(e) If a State expends funds for aid to families with  
 6 dependent children in violation of the requirements of  
 7 paragraph (51) in any fiscal year but such expenditures  
 8 do not constitute a failure to substantially to comply with  
 9 such requirements, the Secretary shall reduce the amount  
 10 to be paid to such State under this part for the succeeding  
 11 fiscal year by an amount equal to the amount of funds  
 12 misused by such State.”.

13 (c) EFFECTIVE DATE.—The amendments made by  
 14 this section shall apply with respect to individuals applying  
 15 for aid to families with dependent children under part A  
 16 of title IV of the Social Security Act (42 U.S.C. 601 et  
 17 seq.) in calendar quarters beginning on or after the date  
 18 that is 60 days after the date of the enactment of this  
 19 Act.

## 20 **Subtitle B—Grants for Assistance** 21 **to Children Born Out-Of-Wedlock**

### 22 **SEC. 211. GRANTS TO STATES.**

23 Title IV (42 U.S.C. 601 et seq.) is amended by insert-  
 24 ing after part B the following:

1       “PART C—GRANTS FOR ASSISTANCE TO CHILDREN  
2                               BORN OUT-OF-WEDLOCK

3                               “PURPOSE

4       “SEC. 440. (a) IN GENERAL.—The purpose of this  
5 part is to grant a qualified State the flexibility and re-  
6 sources necessary to provide such services and activities  
7 as the State deems appropriate to discourage out-of-wed-  
8 lock births and care for children born out-of-wedlock.

9       “(b) QUALIFIED STATE DEFINED.—For purposes of  
10 this part, the term ‘qualified State’ means a State which—

11               “(1) has a plan approved under section 402,  
12       and

13               “(2) has certified to the Secretary that—

14                       “(A) the payments made to the State  
15       under this part will be used by the State in ac-  
16       cordance with this part, and

17                       “(B) not less frequently than every 2  
18       years, the State will audit the expenditures of  
19       the amounts paid to the State under this part.

20                               “USE OF GRANT FUNDS

21       “SEC. 441. (a) IN GENERAL.—Except as provided in  
22 subsection (b), each qualified State that receives grant  
23 funds under this part may use such funds—

24               “(1) to establish or expand programs to reduce  
25       out-of-wedlock pregnancies,

26               “(2) to promote adoption,

1           “(3) to establish and operate orphanages,

2           “(4) to establish and operate closely supervised  
3 residential group homes for unwed mothers, or

4           “(5) in any manner that the State deems ap-  
5 propriate to accomplish the purpose of this part.

6           “(b) PROHIBITIONS ON USE OF FUNDS.—

7           “(1) NO INDIVIDUAL PAYMENTS.—A qualified  
8 State that receives grant funds under this part shall  
9 not, directly or indirectly, use such funds for provid-  
10 ing payments to an individual who is the parent of  
11 a child born out-of-wedlock and such child if the  
12 parent and the child live—

13           “(A) in a household headed by such par-  
14 ent,

15           “(B) in the household of a relative, or

16           “(C) in any other conventional residential  
17 or community setting.

18           “(2) NO FUNDS USED FOR ABORTION.—No  
19 grant funds received by a qualified State under this  
20 part shall be used for making abortion available as  
21 a method of family planning or for any counseling  
22 or advising with respect to abortion.

23           “(c) PENALTY FOR MISUSE OF FUNDS.—If a quali-  
24 fied State fails to comply with subsection (b) in any fiscal  
25 year, the Secretary shall reduce the amount to be paid

1 to such State under this part for the succeeding fiscal year  
 2 by an amount equal to the amount of funds misused by  
 3 such State.

4 “AMOUNT OF GRANT

5 “SEC. 442. (a) IN GENERAL.—The Secretary shall  
 6 make a payment to each qualified State for fiscal years  
 7 1995 through 1999 in an amount equal to the Federal  
 8 savings amount for the State determined under subsection  
 9 (b)(1) for the applicable fiscal year.

10 “(b) DETERMINATION OF GRANT AMOUNT.—

11 “(1) IN GENERAL.—The Federal savings  
 12 amount for a State for a fiscal year is an amount  
 13 that is equal to the product of—

14 “(A) the State per capita amount for the  
 15 fiscal year (as determined under paragraph  
 16 (2)); and

17 “(B) the State’s excluded population (as  
 18 determined under paragraph (3)).

19 “(2) PER CAPITA AMOUNT.—The State per cap-  
 20 ita amount for a fiscal year determined under this  
 21 paragraph is the sum of—

22 “(A) the average per capita amount that  
 23 the Secretary estimates the State will receive  
 24 under section 403 of the Social Security Act  
 25 during the fiscal year for providing aid to fami-

lies with dependent children to individuals eligible to receive such aid; and

“(B) the average per capita amount that the Secretary estimates individuals who are receiving aid to families with dependent children in the State will receive under the food stamp program under the Food Stamp Act of 1977 during the fiscal year.

“(3) STATE EXCLUDED POPULATION.—

“(A) IN GENERAL.—The Congressional Budget Office shall determine an excluded population for each qualified State for each fiscal year in accordance with this paragraph.

“(B) DETERMINATION.—A State’s excluded population for a fiscal year shall equal the sum of—

“(i) the number of excluded children for the State for the fiscal year as determined under subparagraph (C);

“(ii) the number of excluded parents for the State for the fiscal year as determined under subparagraph (D); and

“(iii) the number of individuals in the phase-in population for the State for the

1 fiscal year as determined under subpara-  
2 graph (E).

3 “(C) EXCLUDED CHILDREN.—

4 “(i) IN GENERAL.—The number of ex-  
5 cluded children for a State for a fiscal year  
6 shall be—

7 “(I) for fiscal year 1995, zero;

8 “(II) for fiscal year 1996, 50  
9 percent of the monthly average num-  
10 ber of base year excluded children (as  
11 defined in clause (ii)) who were under  
12 age 1 during the base year (as defined  
13 in clause (iii));

14 “(III) for fiscal year 1997, the  
15 sum of—

16 “(aa) the monthly average  
17 number of base year excluded  
18 children who were under age 1  
19 during the base year; and

20 “(bb) 50 percent of the  
21 monthly average number of base  
22 year excluded children who were  
23 over age 1 and under age 2 dur-  
24 ing the base year;

1 “(IV) for fiscal year 1998, the  
2 sum of—

3 “(aa) the monthly average  
4 number of base year excluded  
5 children who were under age 2  
6 during the base year; and

7 “(bb) 50 percent of the  
8 monthly average number of base  
9 year excluded children who were  
10 over age 2 and under age 3 dur-  
11 ing the base year; and

12 “(V) for fiscal year 1999, the  
13 sum of—

14 “(aa) the monthly average  
15 number of base year excluded  
16 children who were under age 3  
17 during the base year; and

18 “(bb) 50 percent of the  
19 monthly average number of base  
20 year excluded children who were  
21 over age 3 and under age 4 dur-  
22 ing the base year.

23 “(ii) BASE YEAR EXCLUDED CHIL-  
24 DREN.—The term ‘base year excluded chil-  
25 dren’ means children who received aid

1 under the State's plan during the base  
2 year who would not have been eligible for  
3 such aid if section 402(a)(50) (as in effect  
4 during the applicable fiscal year) had been  
5 in effect at the time such children were  
6 born.

7 “(iii) BASE YEAR.—For purposes of  
8 this part, the term ‘base year’ means—

9 “(I) 1993, if the Congressional  
10 Budget Office is able to determine an  
11 excluded population for each State for  
12 each fiscal year that such a deter-  
13 mination is required using data pro-  
14 vided by the National Integrated  
15 Quality Control System operated by  
16 the Department of Health and  
17 Human Services and other relevant  
18 data sources, or

19 “(II) 1993, or another period de-  
20 termined appropriate by the Sec-  
21 retary, based on a survey conducted  
22 or approved by the Secretary.

23 “(D) EXCLUDED PARENTS.—The number  
24 of excluded parents for a State for a fiscal year  
25 shall be the number of parents excluded in con-

nection with the exclusion of their children  
under subparagraph (C).

“(E) PHASE-IN POPULATION ADJUSTED  
FOR DATE OF ENACTMENT.—

“(i) FISCAL YEAR 1995.—For fiscal  
year 1995, the phase-in population for a  
State shall be the product of subclauses  
(I), (II), and (III).

“(I) 4.17 percent.

“(II) The average monthly num-  
ber of base year excluded children (as  
defined in clause (ii) of subparagraph  
(C)) in the State who were under age  
1 during the base year (as defined in  
clause (iii) of subparagraph (C)) and  
the number of parents excluded in  
connection with such children.

“(III) The number of months (in  
whole or in part) by which the date of  
the enactment of the Welfare Reform  
Act of 1994 precedes October 1,  
1994.

“(ii) SUCCEEDING FISCAL YEARS.—  
For fiscal year 1996 and succeeding fiscal  
years, the phase-in population for a State

1 shall be the product of subclauses (I), (II),  
2 (III), and (IV).

3 “(I) 4.17 percent.

4 “(II) The average monthly num-  
5 ber of base year excluded children (as  
6 defined in clause (ii) of subparagraph  
7 (C)) in the State who were under age  
8 1 during the base year (as defined in  
9 clause (iii) of subparagraph (C)) and  
10 the number of parents excluded in  
11 connection with such children.

12 “(III) The number of months (in  
13 whole or in part) by which the date of  
14 the enactment of the Welfare Reform  
15 Act of 1994 precedes or succeeds Oc-  
16 tober 1, 1994.

17 “(IV)(aa) If the date of the en-  
18 actment of the Welfare Reform Act of  
19 1994 precedes October 1, 1994, 1; or

20 “(bb) If the date of the enact-  
21 ment of the Welfare Reform Act of  
22 1994 succeeds October 1, 1994,  
23 – 1.”.

## Subtitle C—Tax Credit for Certain Low-Income Families

### SEC. 221. ADDITIONAL EARNED INCOME CREDIT FOR MAR- RIED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 32(a) of the Internal Revenue Code of 1986 (relating to earned income credit) is amended to read as follows:

“(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the sum of—

“(A) in the case of an eligible individual, an amount equal to the credit percentage of so much of the taxpayer’s earned income for the taxable year as does not exceed the earned income amount, and

“(B) in the case of an eligible married individual, the applicable percentage of \$1,000.”

(b) APPLICABLE PERCENTAGE.—Section 32(b) of the Internal Revenue Code of 1986 (relating to percentages and amounts) is amended by adding at the end the following new paragraph:

“(3) APPLICABLE PERCENTAGE.—The applicable percentage for any taxable year is equal to 100 percent reduced (but not below 0 percent) by 10 percentage points for each \$1,000 (or fraction thereof)

1       by which the taxpayer's earned income for such tax-  
2       able year exceeds \$16,000."

3       (c) ELIGIBLE MARRIED INDIVIDUALS.—Section  
4 32(c) of the Internal Revenue Code of 1986 (relating to  
5 definitions and special rules) is amended by adding at the  
6 end the following new paragraph:

7               “(4) ELIGIBLE MARRIED INDIVIDUALS.—The  
8       term ‘eligible married individual’ means an eligible  
9       individual (determined without regard to paragraph  
10      (1)(A)(ii))—

11               “(A) who is married (as defined in section  
12       7703) and who has lived together with the indi-  
13       vidual's spouse at all times during such mar-  
14       riage during the taxable year, and

15               “(B) has earned income for the taxable  
16       year of at least \$8,500.”

17      (d) CONFORMING AMENDMENTS.—

18               (1) Section 32(a)(2) of the Internal Revenue  
19       Code of 1986 is amended by striking “paragraph  
20       (1)” and inserting “paragraph (1)(A)”.

21               (2) Section 32(i) of such Code is amended to  
22       read as follows:

23               “(i) INFLATION ADJUSTMENTS.—

24               “(1) IN GENERAL.—In the case of any taxable  
25       year beginning after the applicable calendar year,

1 each dollar amount referred to in paragraph (2)(B)  
2 shall be increased by an amount equal to—

3 “(A) such dollar amount, multiplied by

4 “(B) the cost-of-living adjustment deter-  
5 mined under section 1(f)(3), for the calendar  
6 year in which the taxable year begins, by sub-  
7 stituting for ‘calendar year 1992’ in subpara-  
8 graph (B) thereof—

9 “(i) ‘calendar year 1993’ in the case  
10 of the dollar amounts referred to in para-  
11 graph (2)(B)(i), and

12 “(ii) ‘calendar year 1994’ in the case  
13 of the dollar amounts referred to in para-  
14 graph (2)(B)(ii).

15 “(2) DEFINITIONS, ETC.—For purposes of  
16 paragraph (1)—

17 “(A) APPLICABLE CALENDAR YEAR.—The  
18 term ‘applicable calendar year’ means—

19 “(i) 1994 in the case of the dollar  
20 amounts referred to in paragraph  
21 (2)(B)(i), and

22 “(ii) 1995 in the case of the dollar  
23 amounts referred to in paragraph  
24 (2)(B)(ii).

1                   “(B) DOLLAR AMOUNTS.—The dollar  
2                   amounts referred to in this subparagraph are—

3                   “(i) each dollar amount contained in  
4                   subsection (b)(2)(A), and

5                   “(ii) the \$16,000 amount contained in  
6                   subsection (b)(3) and the dollar amount  
7                   contained in subsection (c)(4)(B).

8                   “(3) ROUNDING.—If any dollar amount after  
9                   being increased under paragraph (1) is not a mul-  
10                  tiple of \$10, such dollar amount shall be rounded to  
11                  the nearest multiple of \$10 (or, if such dollar  
12                  amount is a multiple of \$5, such dollar amount shall  
13                  be increased to the next higher multiple of \$10).”

14                  (e) EFFECTIVE DATE.—The amendments made by  
15                  this section shall apply to taxable years beginning after  
16                  December 31, 1994.

17                               **Subtitle D—Expansion of**  
18                               **Abstinence Education**

19                   **SEC. 231. ABSTINENCE EDUCATION GRANTS.**

20                  (a) IN GENERAL.—The Secretary of Health and  
21                  Human Services shall make grants to States and public  
22                  and private entities for the purpose of establishing edu-  
23                  cational programs beginning in the sixth grade or later  
24                  that emphasize the social, psychological, and health gains

1 to be derived by abstaining from sexual activity while un-  
2 married.

3 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated \$100,000,000 in fiscal  
5 year 1995, and \$100,000,000 in each succeeding fiscal  
6 year to carry out the provisions of this section.

## 7 **TITLE III—CHILD SUPPORT** 8 **ENFORCEMENT**

### 9 **SEC. 301. NATIONAL REPORTING OF INFORMATION RELAT-** 10 **ING TO CHILD SUPPORT WITH RESPECT TO** 11 **CERTAIN EMPLOYEES.**

#### 12 (a) MODIFIED W-4 REPORTING.—

##### 13 (1) ESTABLISHMENT OF REPORTING SYSTEM.—

14 The Secretary of the Treasury, in consultation with  
15 the Secretary of Labor, shall establish a system for  
16 the reporting of information relating to child support  
17 obligations of employees, that meets the require-  
18 ments of this subsection.

##### 19 (2) EMPLOYEE OBLIGATIONS.—

20 (A) EMPLOYEES SUBJECT TO CHILD SUP-  
21 PORT WAGE WITHHOLDING.—The system shall  
22 require each employee who owes a qualified  
23 child support obligation to indicate, at the time  
24 such obligation first arises or is modified, on a

1           W-4 form that the employee is otherwise re-  
2           quired to file with the employer—

3                       (i) the existence of the obligation;

4                       (ii) the amount of the obligation;

5                       (iii) the name and address of the per-  
6           son to whom the obligation is owed; and

7                       (iv) whether health care insurance is  
8           available through the employer to the fam-  
9           ily of the employee.

10                   (B) EMPLOYEES IN DESIGNATED INDUS-  
11           TRIES.—The system shall require each em-  
12           ployee, who is employed in a State in an indus-  
13           try that the State has designated pursuant to  
14           section 466(a)(12)(A) of the Social Security Act  
15           as one with respect to which universal employ-  
16           ment reporting would improve child support en-  
17           forcement in a cost-effective manner, to annu-  
18           ally file with the employer a W-4 form  
19           indicating—

20                       (i) whether the employee owes a quali-  
21           fied child support obligation; and

22                       (ii) if so—

23                       (I) the amount of the obligation;

1 (II) the name and address of the  
2 person to whom the obligation is  
3 owed; and

4 (III) whether health care insur-  
5 ance is available through the employer  
6 to the family of the employee.

7 (C) ONE-TIME UPDATING OF W-4 INFOR-  
8 MATION OF ALL EMPLOYEES.—The system shall  
9 require each employee to file with the employer,  
10 during a period that the State in which the em-  
11 ployee is employed has prescribed pursuant to  
12 section 466(a)(12)(B) of the Social Security  
13 Act, a W-4 form indicating—

14 (i) whether the employee owes a quali-  
15 fied child support obligation; and

16 (ii) if so—

17 (I) the amount of each such obli-  
18 gation;

19 (II) the name and address of  
20 each person to whom the obligation is  
21 owed; and

22 (III) whether health care insur-  
23 ance is available through the employer  
24 to the family of the employee.

1 (D) QUALIFIED CHILD SUPPORT OBLIGA-  
2 TION.—As used in this subsection, the term  
3 “qualified child support obligation” means a  
4 legal obligation to provide child support (as de-  
5 fined in section 462(b) of the Social Security  
6 Act) which is to be collected, in whole or in  
7 part, through wage withholding pursuant to an  
8 order issued by a court of any State or an order  
9 of an administrative process established under  
10 the law of any State.

11 (3) EMPLOYER OBLIGATIONS.—Each employer  
12 who receives information from an employee pursuant  
13 to paragraph (2) of this subsection shall—

14 (A) within 10 days after such receipt, for-  
15 ward the information to the agency, designated  
16 pursuant to section 466(a)(11)(A) of the Social  
17 Security Act, of the State in which the em-  
18 ployee is employed by the employer; and

19 (B) withhold from the income of the em-  
20 ployee the amount indicated on the W-4 form  
21 (or, if the employer has received from the State  
22 a notice that the amount is incorrect, such  
23 other amount as the State indicates is to be so  
24 withheld), in the manner described in section  
25 466(b)(6)(A)(i) of such Act.

1           (4) NEW HIRES IN CERTAIN STATES EX-  
2           CEPTED.—This subsection shall not apply with re-  
3           spect to the employment in a State of any employee  
4           not described in paragraph (2)(B) if the Secretary  
5           of Health and Human Services determines that the  
6           State—

7                   (A) requires all employers in the State to  
8                   report to the State all basic employment infor-  
9                   mation on new hires;

10                  (B) requires such information to be com-  
11                  pared with information in the State registry of  
12                  child support orders established pursuant to  
13                  section 466(a)(13) of the Social Security Act  
14                  and with requests from other States for infor-  
15                  mation on the location of noncustodial parents;

16                  (C) maintains updated employment infor-  
17                  mation on all individuals employed in the State  
18                  in a manner that enables the State to effec-  
19                  tively respond to such requests; and

20                  (D) requires all employers in the State, on  
21                  receipt of a notice from the State that an em-  
22                  ployee owes a qualified child support obligation,  
23                  to begin withholding from the income of the  
24                  employee the amount of the obligation, in the

1 manner described in section 466(b)(6)(A)(i) of  
2 the Social Security Act.

3 (b) STATE ROLE.—Section 466(a) (42 U.S.C.  
4 666(a)) is amended by inserting after paragraph (10) the  
5 following:

6 “(11) Procedures under which the State shall  
7 designate a public agency to—

8 “(A) maintain the information provided by  
9 employers pursuant to section 301(a)(3) of the  
10 Welfare Reform Act of 1994 in accordance with  
11 regulations prescribed by the Secretary which  
12 allow other States easy access to the informa-  
13 tion through the Interstate Locate Network es-  
14 tablished under section 453(g) of this Act; and

15 “(B) determine whether or not the infor-  
16 mation described in subparagraph (A) of this  
17 paragraph provided by an employer with respect  
18 to an employee is accurate by comparing the in-  
19 formation with the information on file in the  
20 State registry of child support orders estab-  
21 lished pursuant to section 466(a)(13) of this  
22 Act, and—

23 “(i) if the information is confirmed by  
24 the information on file in the registry, no-  
25 tify any individual (or such individual’s

1           designee) who resides in the State and to  
2           whom the employee has a legal obligation  
3           to provide child support, of such informa-  
4           tion;

5           “(ii) if the information is not so con-  
6           firmed due to a discrepancy between the  
7           information and a copy of a child support  
8           order in the registry, notify the employer  
9           of the discrepancy and the correct informa-  
10          tion using the order developed under sec-  
11          tion 452(a)(12) of this Act; or

12          “(iii) if the information is not so con-  
13          firmed because the registry does not con-  
14          tain a copy of an order that imposes a  
15          child support obligation on the employee,  
16          search the child support order registries  
17          established pursuant to section 466(a)(13)  
18          of this Act of the States in which the obli-  
19          gation is most likely to have been imposed.

20          “(12) Procedures under which the State shall—

21               “(A) designate at least 1 industry, for pur-  
22               poses of section 301(a)(2)(B) of the Welfare  
23               Reform Act of 1994, as an industry with re-  
24               spect to which universal employment reporting

1 would improve child support enforcement in a  
2 cost-effective manner;

3 “(B) prescribe the period during which  
4 individuals employed in the State are to be  
5 required to file with their employers updated  
6 W-4 forms as required by section 301(a)(2)(C)  
7 of such Act; and

8 “(C) impose a fine—

9 “(i) against any individual employed  
10 in the State who is required by section  
11 301(a)(2) of such Act to file a W-4 form  
12 with any employer of the individual and  
13 fails to do so; and

14 “(ii) in an amount equal to the aver-  
15 age cost of noncompliance (as determined  
16 by the State) or \$25, whichever is the less-  
17 er, on any employer who fails to comply  
18 with section 301(a)(3) of such Act for any  
19 month.”.

20 **SEC. 302. STATE INFORMATION SYSTEMS.**

21 (a) STATE REGISTRIES OF CHILD SUPPORT OR-  
22 DERS.—Section 466(a) (42 U.S.C. 666(a)), as amended  
23 by section 301(b), is amended by inserting after para-  
24 graph (12) the following:

“(13) Procedures requiring the State agency designated pursuant to paragraph (16) to maintain a child support order registry, which must include—

“(A) a copy of each child support order being enforced under the State plan; and

“(B) at the request of an individual who has or is owed a legal obligation to provide child support (within the meaning of section 462(b)), a copy of the order that imposes the obligation.”.

(b) ACCESSIBILITY OF STATE INFORMATION RELATED TO CHILD SUPPORT.—

(1) TO OTHER STATES.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 301(b)(1) and subsection (a) of this section, is amended by inserting after paragraph (13) the following:

“(14)(A) Procedures requiring all records of the State to which the agency administering the plan has access and determines may be useful in locating noncustodial parents or collecting child support to be made accessible to any agency of any State for such purpose, through the Interstate Locate Network established under section 453(g), in accordance with safeguards established to prevent release of informa-

1       tion if the release might jeopardize the safety of any  
2       individual.

3               “(B) The State may impose reasonable fees for  
4       access to State records provided pursuant to sub-  
5       paragraph (A).”.

6               (2) TO PRIVATE PARTIES.—Section 466(a) (42  
7       U.S.C. 666(a)), as amended by section 301(b)(1),  
8       subsection (a) of this section, and paragraph (1) of  
9       this subsection, is amended by inserting after para-  
10      graph (14) the following:

11              “(15) Procedures under which—

12                      “(A) noncustodial parents (and their des-  
13                      ignees) must be given access to State parent lo-  
14                      cator services to aid in the establishment or en-  
15                      forcement of visitation rights, in accordance  
16                      with safeguards established to prevent release  
17                      of information if the release might jeopardize  
18                      the safety of any individual; and

19                      “(B) custodial parents (and their des-  
20                      ignees) must be given access to State parent lo-  
21                      cator services to aid in the establishment and  
22                      enforcement of child support obligations against  
23                      noncustodial parents.”.

1 **SEC. 303. NATIONAL INFORMATION SYSTEMS.**

2 (a) **EXPANSION OF PARENT LOCATOR SERVICE.—**

3 Section 453 (42 U.S.C. 653) is amended—

4 (1) in subsection (a)—

5 (A) by inserting “(1)” after “transmit”;

6 and

7 (B) by striking “enforcing support obliga-  
8 tions against such parent” and inserting “es-  
9 tablishing parentage, establishing, modifying,  
10 and enforcing child support obligations, and (2)  
11 to any noncustodial parent (or the designee of  
12 the noncustodial parent) information as to the  
13 whereabouts of the custodial parent when such  
14 information is to be used to locate such parent  
15 for the purpose of enforcing child visitation  
16 rights and obligations”;

17 (2) in subsection (b), by inserting after the 2nd  
18 sentence the following: “Information shall not be  
19 disclosed to a custodial parent or a noncustodial par-  
20 ent if the disclosure would jeopardize the safety of  
21 the child or either of such parents.”;

22 (3) in subsection (d), by inserting “and such  
23 reasonable fees” after “such documents”; and

24 (4) by striking “absent parent” each place such  
25 term appears and inserting “noncustodial parent”.

1           (b) ESTABLISHMENT OF INTERSTATE LOCATE NET-  
2 WORK.—Section 453 (42 U.S.C. 653) is amended by add-  
3 ing at the end the following:

4           “(g) The Secretary shall establish an Interstate Lo-  
5 cate Network linking the Parent Locator Service and all  
6 State databases relating to child support enforcement,  
7 which—

8           “(1) any State may use to—

9           “(A) locate any noncustodial parent who  
10           has a legal obligation to provide child support  
11           (as defined in section 462(b)), with respect to  
12           whom such an obligation is being sought, or  
13           against whom visitation rights are being en-  
14           forced, by accessing the records of any Federal,  
15           State, or other source of locate or child support  
16           information, directly from one computer system  
17           to another; or

18           “(B) direct a locate request to another  
19           State or a Federal agency, or, if the source of  
20           locate information is unknown, broadcast such  
21           a request to selected States or to all States;

22           “(2) allows on-line and batch processing of lo-  
23           cate requests, with on-line access restricted to cases  
24           in which the information is needed immediately  
25           (such as for court appearances), and batch process-

ing used to ‘troll’ data bases to locate individuals or  
update information periodically; and

“(3) enables courts to access information on the  
Interstate Locate Network through a computer terminal located in the court.”.

(c) INFORMATION SHARING REGULATIONS.—Section  
452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking “and” at the end of paragraph  
(9);

(2) by striking the period at the end of the 2nd  
sentence of paragraph (10) and inserting “; and”;  
and

(3) by inserting after paragraph (10) the following:

“(11) prescribe regulations governing information sharing among States, within States, and between the States and the Parent Locator Service—

“(A) to ensure that a State may broadcast a request for information for the purpose of locating a noncustodial parent or collecting child support, and receive a response to the request in not more than 48 hours; and

“(B) to require a State that is attempting to locate a noncustodial parent—

1                   “(i) to compare all outstanding cases  
2                   with information in the employment  
3                   records of the State; and

4                   “(ii) if, after complying with clause  
5                   (i), the State is unable to locate the  
6                   noncustodial parent, then—

7                   “(I) if the State has reason to  
8                   believe that the noncustodial parent is  
9                   in another particular State or States,  
10                  to request such State or States for in-  
11                  formation on the noncustodial parent;  
12                  and

13                  “(II) if not, to broadcast to all  
14                  States a request for such informa-  
15                  tion.”.

16 **SEC. 304. INCOME WITHHOLDING.**

17           (a) **STATE ROLE.**—Section 466(a) (42 U.S.C.  
18 666(a)), as amended by sections 301(b)(1) and 302, is  
19 amended by inserting after paragraph (15) the following:

20                   “(16) Procedures under which the State shall  
21                   designate a public agency to—

22                   “(A) collect child support pursuant to the  
23                   State plan; and

1           “(B) distribute, in accordance with section  
2           457 and with all due deliberate speed, the  
3           amounts collected as child support.

4           “(17) Procedures under which the State shall  
5           require any court of the State that establishes or  
6           modifies a child support order to transmit a copy of  
7           the order to the State agency designated pursuant to  
8           paragraph (18), unless the order does not provide  
9           for income withholding, and the noncustodial parent  
10          and the custodial parent object.

11          “(18) Procedures under which the State shall  
12          designate a State agency to use the uniform income  
13          withholding order developed under section  
14          452(a)(12) to notify the agency administering the  
15          State plan, any employer of an individual required to  
16          pay child support through income withholding pursu-  
17          ant to an order issued or modified in the State, and  
18          the agency designated pursuant to paragraph (16) of  
19          this subsection of each State in which such an em-  
20          ployer is located, of—

21                 “(A) the identity of the individual;

22                 “(B) the amount to be withheld; and

23                 “(C) the State agency to which the with-  
24          held amount is to be paid.”.

1 (b) UNIFORM WITHHOLDING ORDER.—Section  
2 452(a) (42 U.S.C. 652(a)), as amended by section 303(c),  
3 is amended—

4 (1) by striking “and” at the end of paragraph  
5 (10);

6 (2) by striking the period at the end of para-  
7 graph (11) and inserting “; and”; and

8 (3) by inserting after paragraph (11) the fol-  
9 lowing:

10 “(12) develop a uniform order to be used in all  
11 cases in which income is to be withheld for the pay-  
12 ment of child support, which shall—

13 “(A) contain the name of the individual  
14 whose income is to be withheld, the number of  
15 children covered by the order, and the individ-  
16 ual or State to whom the withheld income is to  
17 be paid, and

18 “(B) be in the form necessary to allow for  
19 the service of the order on all sources of in-  
20 come.”.

21 (c) STATES REQUIRED TO HAVE LAWS REQUIRING  
22 EMPLOYERS TO WITHHOLD CHILD SUPPORT PURSUANT  
23 TO UNIFORM INCOME WITHHOLDING ORDERS.—Section  
24 466(b) (42 U.S.C. 666(b)) is amended—

1           (1) in paragraph (1), by inserting “and in the  
2 case of each individual employed in the State,” be-  
3 fore “so much”;

4           (2) in paragraph (6)(C), by inserting “of this  
5 paragraph and paragraph (9)(B) of this subsection”  
6 after “(A)”; and

7           (3) in paragraph (9)—

8                 (A) by inserting “(A)” after “(9)”; and

9                 (B) by adding at the end the following:

10               “(B)(i) As a condition of doing business in the  
11 State, any individual or entity engaged in commerce  
12 in the State shall, upon receipt of a valid income  
13 withholding order for any of its employees—

14                         “(I) immediately provide a copy of the  
15 order to the employee subject to the order; and

16                         “(II) notwithstanding paragraph (4) of  
17 this subsection, withhold, within 10 days after  
18 receipt of the order, income from the employee  
19 in the manner described in paragraph (6)(A)(i)  
20 of this subsection.

21               “(ii) A valid income withholding order may be  
22 served on the individual or entity directly or by first-  
23 class mail.

24               “(iii) Any individual or entity who complies  
25 with a valid income withholding order may not be

1       held liable for wrongful withholding of income from  
2       the employee subject to the order.

3               “(iv) The State shall impose a civil fine in an  
4       amount equal to the average cost of noncompliance  
5       (as determined by the State) or \$25, whichever is  
6       the lesser, on any such individual or entity who re-  
7       ceives a valid income withholding order with respect  
8       to an employee of the individual or entity, and who,  
9       due to negligence, fails to comply with the order  
10      within 10 days after receipt.

11              “(v) Any individual or entity who imposes a fee  
12      for the administration of child support income with-  
13      holding and related reporting of information shall  
14      not collect more than the average cost of such ad-  
15      ministration, as determined by the State.

16              “(vi) For purposes of this subparagraph, a valid  
17      income withholding order is a withholding order de-  
18      veloped under section 452(a)(12) that has been is-  
19      sued by a court or agency of a State and is regular  
20      on its face.”.

21   **SEC. 305. UNIFORM TERMS IN ORDERS.**

22       Section 452(a) (42 U.S.C. 652(a)), as amended by  
23      sections 303(c) and 304(b), is amended—

24              (1) in paragraph (11), by striking “and” after  
25      the semicolon;

(2) in paragraph (12), by striking the period at the end of the 2nd sentence and inserting “; and”; and

(3) by adding at the end the following:

“(13) develop, in conjunction with State executive and judicial organizations, a uniform abstract of a child support order, for use by all State courts to record, with respect to each child support order in the child support order registry established under section 466(a)(12)—

“(A) the date support payments are to begin under the order;

“(B) the circumstances upon which support payments are to end under the order;

“(C) the amount of child support payable pursuant to the order expressed as a sum certain to be paid on a monthly basis, arrearages expressed as a sum certain as of a certain date, and any payback schedule for the arrearages;

“(D) whether the order awards support in a lump sum (nonallocated) or per child;

“(E) if the award is in a lump sum, the event causing a change in the support award and the amount of any change;

“(F) other expenses covered by the order;

1           “(G) the names of the parents subject to  
2           the order;

3           “(H) the social security account numbers  
4           of the parents;

5           “(I) the name, date of birth, and social se-  
6           curity account number (if any) of each child  
7           covered by the order;

8           “(J) the identification (FIPS code, name,  
9           and address) of the court that issued the order;

10          “(K) any information on health care sup-  
11          port required by the order; and

12          “(L) the party to contact if additional in-  
13          formation is obtained.”.

14   **SEC. 306. IMPROVEMENTS IN PATERNITY ESTABLISHMENT.**

15          Section 466(a) (42 U.S.C. 666(a)) is amended—

16           (1) by striking “at the option of the State,” in  
17          paragraph (2)(B), and

18           (2) by adding at the end of paragraph (5) the  
19          following new subparagraph:

20           “(C) Procedures under which—

21           “(i) the opportunity to establish paternity  
22          voluntarily and by simple affidavit is available  
23          to the unmarried parents of a child at the time  
24          of the child’s birth by requiring hospitals and  
25          birthing facilities to make explanatory materials

1 and forms available to the parents as part of  
2 the birth certificate process;

3 “(ii) a simple, civil consent procedure is  
4 available at any time for individuals who agree  
5 to acknowledge parentage of a child;

6 “(iii) an acknowledgment of parentage may  
7 be incorporated in a witnessed, written state-  
8 ment that includes a statement that—

9 “(I) the individual signing such state-  
10 ment understands the consequences of ac-  
11 knowledging paternity,

12 “(II) such individual is signing the  
13 statement voluntarily,

14 “(III) such individual does not object  
15 to the court entering an order for parent-  
16 age, based on the acknowledgment, without  
17 notice prior to the entry of the order and  
18 without the requirement of pleadings, serv-  
19 ice, summons, testimony, or a hearing, and

20 “(IV) such individual understands  
21 that signing such statement may create an  
22 obligation to provide child support; and

23 “(iv) if under State law a court order is re-  
24 quired to establish paternity, an acknowledg-  
25 ment of parentage as provided for under clause

1 (iii) shall be filed with a State court of appro-  
2 priate jurisdiction within 10 days and a pater-  
3 nity order based on such acknowledgment shall  
4 be established without the requirement of plead-  
5 ings, service, summons, testimony, or a hear-  
6 ing.”.

7 **SEC. 307. WAIVER OF FEE FOR CERTAIN INDIVIDUALS RE-**  
8 **CEIVING CHILD SUPPORT COLLECTION OR**  
9 **PATERNITY DETERMINATION SERVICES.**

10 Section 454 (42 U.S.C. 654) is amended by striking  
11 “and” at the end of paragraph (23), by striking the period  
12 at the end of paragraph (24) and inserting “; and”, and  
13 by inserting after paragraph (24) the following new para-  
14 graph:

15 “(25) notwithstanding subparagraphs (B), (C),  
16 and (D) of paragraph (6), provide that no fee shall  
17 be imposed for child support collection or paternity  
18 determination services provided with respect to an  
19 individual who is denied assistance under part A of  
20 this title due to the amendments made by title II of  
21 the Welfare Reform Act of 1994.”.

## **TITLE IV—SPECIFIC REFORMS IN WELFARE SPENDING**

### **SEC. 401. INCOME ELIGIBILITY GUIDELINES FOR SCHOOL LUNCH AND BREAKFAST PROGRAMS.**

The third sentence of section 9(b)(1)(A) of the National School Lunch Act (42 U.S.C. 1758(b)(1)(A)) is amended by striking “185 percent” and inserting “130 percent”.

### **SEC. 402. REPEAL OF EXPANSIONS TO FOOD STAMP PROGRAM.**

(a) IN GENERAL.—Chapter 3 of title XIII of Public Law 103–66, and the amendments made by such chapter, are repealed as of the enactment of such chapter.

(b) ADMINISTRATION.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) shall be applied and administered as if chapter 3 of title XIII of Public Law 103–66, and the amendments made by such chapter, had not been enacted.

### **SEC. 403. REPEAL OF EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.**

(a) REPEAL.—Part I of subchapter C of title XIII of the Revenue Reconciliation Act of 1993 is hereby repealed.

(b) APPLICATION OF INTERNAL REVENUE CODE.—The Internal Revenue Code of 1986 shall be applied and

1 administered as if the provision described in subsection (a)  
 2 had not been enacted.

3 **SEC. 404. REDUCTION OF BENEFITS TO AFDC FAMILIES**  
 4 **WHO ALSO RECEIVE PUBLIC HOUSING BENE-**  
 5 **FITS.**

6 (a) **REPEAL OF OPTIONAL CONSIDERATION OF**  
 7 **HOUSING SUBSIDIES.**—Section 402(a)(7)(C) (42 U.S.C.  
 8 602(a)(7)(C)) is amended—

- 9 (1) in clause (i), by striking “and” at the end;  
 10 (2) by striking clause (ii); and  
 11 (3) by striking “law)—” through “(i) an  
 12 amount” and inserting “law) an amount”.

13 (b) **REDUCTION OF PAYMENTS TO AFDC FAMILIES**  
 14 **WHO RECEIVE PUBLIC HOUSING BENEFITS.**—

15 (1) **IN GENERAL.**—Section 402(a) (42 U.S.C.  
 16 602(a)), as amended by sections 101(b)(2)(A) and  
 17 (e), 103(a) and (b), 201(b), 202(a), and 203(a), is  
 18 amended—

19 (A) by striking “and” at the end of para-  
 20 graph (51);

21 (B) by striking the period at the end of  
 22 paragraph (52) and inserting “; and”; and

23 (C) by inserting after paragraph (52) the  
 24 following new paragraph:

“(53) in the case of a family receiving aid under this part for any month and occupying a unit in public housing or housing assisted under section 8 of the United States Housing Act of 1937 or a State housing program, reduce the payment of aid under the plan to such family by 25 percent each month.”.

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall apply with respect to payments under part A of title IV of the Social Security Act for calendar quarters beginning on or after October 1, 1994.

**SEC. 405. REPEAL OF THE DAVIS-BACON ACT.**

(a) **IN GENERAL.**—The Act of March 31, 1931 (commonly known as the Davis-Bacon Act; 40 U.S.C. 276a et seq.), is repealed.

(b) **REDUCTION IN BUDGET CAPS.**—

(1) **DISCRETIONARY SPENDING.**—Upon the enactment of this section, the Director of the Office of Management and Budget shall make downward adjustments in the discretionary spending limits (new budget authority and outlays), as adjusted, set forth in 601(a)(2) of the Congressional Budget Act of 1974 for each of fiscal years 1994 through 1998 by an amount equal to the discretionary savings result-

1       ing from the enactment of this section attributable  
2       to each such fiscal year.

3               (2) SECTION 602 ALLOCATIONS.—

4               (A) HOUSE APPROPRIATIONS COMMIT-  
5       TEE.—The allocations in effect under section  
6       602(a)(1) of the Congressional Budget Act of  
7       1974 for fiscal year 1994 for the Committee on  
8       Appropriations of the House of Representatives  
9       are reduced by the amount of discretionary sav-  
10      ings in outlays and budget authority determined  
11      under paragraph (1).

12              (B) SENATE APPROPRIATIONS COMMIT-  
13      TEE.—The allocations in effect under section  
14      602(a)(2) of the Congressional Budget Act of  
15      1974 for fiscal year 1994 for the Committee on  
16      Appropriations of the Senate are reduced by the  
17      amount of discretionary savings in outlays and  
18      budget authority determined under paragraph  
19      (1).

20              (C) SUBALLOCATIONS.—Each Committee  
21      on Appropriations is authorized and directed to  
22      immediately adjust its suballocations among its  
23      subcommittees for fiscal year 1994 to reflect  
24      the lower allocations provided by this paragraph  
25      in a manner that accurately reflects the

changes in law made by this Act and promptly report to its House of Congress suballocations revised under this paragraph.

(D) EFFECT.—The allocations and suballocations as adjusted by this paragraph shall be deemed to be allocations made under section 602(a)(1) and suballocations made under section 602(b)(1) of the Congressional Budget Act of 1974.

(3) SECTION 601.—Section 601(a)(2) of the Congressional Budget Act of 1974 is amended by inserting “or as adjusted pursuant to subsection (a) of section 405 of the Welfare Reform Act of 1994” before the period at the end.

**SEC. 406. REDUCTION OF SOCIAL SERVICES BLOCK GRANTS.**

Section 2003(c) (42 U.S.C. 1397b(c)) is amended—

(1) in paragraph (4), by striking “and” at the end;

(2) in paragraph (5), by striking “each fiscal year after fiscal year 1989.” and inserting “fiscal years 1990, 1991, 1992, 1993, and 1994; and”; and

(3) by adding at the end the following new paragraph:

1           “(6) \$1,800,000,000 for each fiscal year after  
2       fiscal year 1994.”.

3       **SEC. 407. RESTRICTIONS ON WELFARE BENEFITS PRO-**  
4                               **VIDED TO ALIENS.**

5       (a) **BENEFITS LIMITED TO CITIZENS.**—On and after  
6       the date of the enactment of this Act, notwithstanding any  
7       other provision of law, no benefits shall be available under  
8       the following programs to any individual who is not a  
9       United States citizen:

10           (1) The program of medical assistance under  
11       title XIX of the Social Security Act, except emer-  
12       gency services (as defined for purposes of section  
13       1916(a)(2)(D) of the Social Security Act).

14           (2) The Maternal and Child Health Services  
15       Block Grant Program under title V of the Social Se-  
16       curity Act.

17           (3) The program established in section 330 of  
18       the Public Health Service Act (relating to commu-  
19       nity health centers).

20           (4) The program established in section 1001 of  
21       the Public Health Service Act (relating to family  
22       planning methods and services).

23           (5) The program established in section 329 of  
24       the Public Health Service Act (relating to migrant  
25       health centers).

1           (6) The program of aid and services to needy  
2 families with children under part A of title IV of the  
3 Social Security Act.

4           (7) The child welfare services program under  
5 part B of title IV of the Social Security Act.

6           (8) The supplemental security income program  
7 under title XVI of the Social Security Act.

8           (9) The program of foster care and adoption  
9 assistance under part E of title IV of the Social Se-  
10 curity Act.

11          (10) The food stamp program, as defined in  
12 section 3(h) of the Food Stamp Act of 1977 (7  
13 U.S.C. 2012(h)).

14          (11) The school lunch program carried out  
15 under the National School Lunch Act (42 U.S.C.  
16 1751 et seq.).

17          (12) The special supplemental food program for  
18 women, infants, and children carried out under sec-  
19 tion 17 of the Child Nutrition Act of 1966 (42  
20 U.S.C. 1786).

21          (13) The nutrition programs carried out under  
22 part C of title III of the Older Americans Act of  
23 1965 (42 U.S.C. 3030e et seq.).

1           (14) The school breakfast program carried out  
2 under section 4 of the Child Nutrition Act of 1966  
3 (42 U.S.C. 1773).

4           (15) The child and adult care food program  
5 carried out under section 17 of the National School  
6 Lunch Act (42 U.S.C. 1766).

7           (16) The Emergency Food Assistance Act of  
8 1983 (7 U.S.C. 612c note).

9           (17) The summer food service program for chil-  
10 dren carried out under section 13 of the National  
11 School Lunch Act (42 U.S.C. 1761).

12           (18) The commodity supplemental food pro-  
13 gram authorized by section 4(a) of the Agriculture  
14 and Consumer Protection Act of 1973 (7 U.S.C.  
15 612c note).

16           (19) The special milk program carried out  
17 under section 3 of the Child Nutrition Act of 1966  
18 (42 U.S.C. 1772).

19           (20) The program of rental assistance on behalf  
20 of low-income families provided under section 8 of  
21 the United States Housing Act of 1937 (42 U.S.C.  
22 1437f).

23           (21) The program of assistance to public hous-  
24 ing under title I of the United States Housing Act  
25 of 1937 (42 U.S.C. 1437 et seq.).

1           (22) The loan program under section 502 of the  
2       Housing Act of 1949 (42 U.S.C. 1472).

3           (23) The program of interest reduction pay-  
4       ments pursuant to contracts entered into by the Sec-  
5       retary of Housing and Urban Development under  
6       section 236 of the National Housing Act (12 U.S.C.  
7       1715z-1).

8           (24) The program of loans for rental and coop-  
9       erative housing under section 515 of the Housing  
10      Act of 1949 (42 U.S.C. 1485).

11          (25) The program of rental assistance pay-  
12      ments pursuant to contracts entered into under sec-  
13      tion 521(a)(2)(A) of the Housing Act of 1949 (42  
14      U.S.C. 1490a(a)(2)(A)).

15          (26) The program of assistance payments on  
16      behalf of homeowners under section 235 of the Na-  
17      tional Housing Act (12 U.S.C. 1715z).

18          (27) The program of rent supplement payments  
19      on behalf of qualified tenants pursuant to contracts  
20      entered into under section 101 of the Housing and  
21      Urban Development Act of 1965 (12 U.S.C. 1701s).

22          (28) The loan and grant programs under sec-  
23      tion 504 of the Housing Act of 1949 (42 U.S.C.  
24      1474) for repairs and improvements to rural dwell-  
25      ings.

1           (29) The loan and assistance programs under  
2           sections 514 and 516 of the Housing Act of 1949  
3           (42 U.S.C. 1484, 1486) for housing for farm labor.

4           (30) The program of grants for preservation  
5           and rehabilitation of housing under section 533 of  
6           the Housing Act of 1949 (42 U.S.C. 1490m).

7           (31) The program of grants and loans for mu-  
8           tual and self-help housing and technical assistance  
9           under section 523 of the Housing Act of 1949 (42  
10          U.S.C. 1490c).

11          (32) The program of site loans under section  
12          524 of the Housing Act of 1949 (42 U.S.C. 1490d).

13          (33) The program under part B of title IV of  
14          the Higher Education Act of 1965.

15          (34) The program under subpart 1 of part A of  
16          title IV of the Higher Education Act of 1965.

17          (35) The program under part C of title IV of  
18          the Higher Education Act of 1965.

19          (36) The program under subpart 3 of part A of  
20          title IV of the Higher Education Act of 1965.

21          (37) The program under part E of title IV of  
22          the Higher Education Act of 1965.

23          (38) The program under subpart 4 of part A of  
24          title IV of the Higher Education Act of 1965.

1           (39) The program under title IX of the Higher  
2 Education Act of 1965.

3           (40) The program under subpart 5 of part A of  
4 title IV of the Higher Education Act of 1965.

5           (41) The programs established in sections 338A  
6 and 338B of the Public Health Service Act and the  
7 programs established in part A of title VII of such  
8 Act (relating to loans and scholarships for education  
9 in the health professions).

10          (42) The program established in part A of title  
11 XIX of the Public Health Service Act (relating to  
12 block grants for preventive health and health serv-  
13 ices).

14          (43) The programs established in subparts I  
15 and II of part B of title XIX of the Public Health  
16 Service Act.

17          (44)(A) The program of training for disadvan-  
18 tagged adults and youth under part A of title II of  
19 the Job Training Partnership Act (29 U.S.C. 1601  
20 et seq.), as in effect before July 1, 1993.

21          (B)(i) The program of training for disadvan-  
22 tagged adults under part A of title II of the Job  
23 Training Partnership Act (29 U.S.C. 1601 et seq.),  
24 as in effect on and after July 1, 1993.

1           (ii) The program of training for disadvantaged  
2 youth under part C of title II of the Job Training  
3 Partnership Act (29 U.S.C. 1641 et seq.), as in ef-  
4 fect on and after July 1, 1993.

5           (45) The Job Corps program under part B of  
6 title IV of the Job Training Partnership Act (29  
7 U.S.C. 1692 et seq.).

8           (46) The summer youth employment and train-  
9 ing programs under part B of title II of the Job  
10 Training Partnership Act (29 U.S.C. 1630 et seq.).

11          (47) The programs carried out under the Older  
12 American Community Service Employment Act (42  
13 U.S.C. 3001 et seq.).

14          (48) The programs under title III of the Older  
15 Americans Act of 1965.

16          (49) The programs carried out under part B of  
17 title II of the Domestic Volunteer Service Act of  
18 1973 (42 U.S.C. 5011–5012).

19          (50) The programs carried out under part C of  
20 title II of the Domestic Volunteer Service Act of  
21 1973 (42 U.S.C. 5013).

22          (51) The program under the Low-Income En-  
23 ergy Assistance Act of 1981 (42 U.S.C. 8621 et  
24 seq.).

1           (52) The weatherization assistance program  
2 under title IV of the Energy Conservation and Pro-  
3 duction Act (42 U.S.C. 6851).

4           (53) The program of block grants to States for  
5 social services under title XX of the Social Security  
6 Act.

7           (54) The programs carried out under the Com-  
8 munity Services Block Grant Act (42 U.S.C. 9901  
9 et seq.).

10          (55) The program of legal assistance to eligible  
11 clients and other programs under the Legal Services  
12 Corporation Act (42 U.S.C. 2996 et seq.).

13          (56) The program for emergency food and shel-  
14 ter grants under title III of the Stewart B. McKin-  
15 ney Homeless Assistance Act (42 U.S.C. 11331 et  
16 seq.).

17          (57) The programs carried out under the Child  
18 Care and Development Block Grant Act of 1990 (42  
19 U.S.C. 9858 et seq.).

20          (58) A State program for providing child care  
21 under section 402(i) of the Social Security Act.

22       (b) EDUCATION OF CHILDREN OF ILLEGAL  
23 ALIENS.—

24           (1) STATEMENT OF POLICY.—It is the policy of  
25 the Congress that States and local educational agen-

1       cies should not be required to provide a free public  
2       elementary or secondary education to any individual  
3       who is not within one of the following classes of indi-  
4       viduals:

5               (A) Citizens of the United States.

6               (B) Aliens lawfully admitted to the United  
7       States for permanent residence.

8               (C) Aliens who are permanently residing in  
9       the United States under color of law (including  
10      residence as an asylee, refugee, or parolee).

11           (2) NOTIFICATION OF AUTHORITIES.—A State  
12      or local educational agency shall notify the Attorney  
13      General whenever such State or agency learns that  
14      a child who is not within a class of individuals under  
15      subparagraph (A), (B), or (C) of paragraph (1) is  
16      enrolled in a public elementary or secondary school  
17      served by such State or agency, respectively.

18           (3) DEPORTATION.—

19               (A) IN GENERAL.—After receiving notifica-  
20      tion under paragraph (2), the Attorney General  
21      shall immediately take action under section 242  
22      of the Immigration and Nationality Act to bring  
23      deportation proceedings against a child de-  
24      scribed in such paragraph, and any relative liv-  
25      ing with such child who is not within a class of

1 individuals under subparagraph (A), (B), or (C)  
2 of paragraph (1).

3 (B) REQUIREMENT.—Notwithstanding any  
4 other provision of law, a State or local edu-  
5 cational agency shall not be required to provide  
6 a free public education to any individual de-  
7 scribed in subparagraph (A) during the period  
8 such individual is awaiting deportation.

9 (4) DEFINITIONS.—For the purpose of this  
10 section—

11 (A) the term “local educational agency”,  
12 “elementary school” and “secondary school”  
13 have the meanings given such terms in section  
14 1471 of the Elementary and Secondary Edu-  
15 cation Act of 1965, and

16 (B) the term “State” means the 50 States,  
17 the District of Columbia, Puerto Rico, Amer-  
18 ican Samoa, Guam, and the Virgin Islands.

19 **SEC. 408. REPLACEMENT OF CASH BENEFIT WITH MEDICAL**  
20 **VOUCHERS.**

21 (a) IN GENERAL.—Section 1611(b) (42 U.S.C.  
22 1382(b)) is amended by adding at the end the following  
23 new paragraph:

24 “(3) Notwithstanding paragraphs (1) and (2),  
25 the benefit under this title for a child who has not

1       attained 18 years of age shall be vouchers issued  
2       pursuant to subsection (j).”.

3       (b) ISSUANCE OF VOUCHERS FOR TREATMENT OF  
4       DISABLING CONDITIONS OF CHILDREN ELIGIBLE FOR  
5       SSI BENEFITS.—Section 1611 (42 U.S.C. 1382) is  
6       amended by adding at the end the following new sub-  
7       section:

8                               “VOUCHER PROGRAM

9       “(j)(1) The Secretary of Health and Human Services  
10       shall issue to each child eligible for benefits under this  
11       title who has not attained 18 years of age vouchers which  
12       may be used to cover the cost of any item—

13               “(A) that is associated with treating the blind-  
14       ness or disability of the child;

15               “(B) for which a medical expense deduction  
16       may be claimed under section 213 of the Internal  
17       Revenue Code of 1986 by the child or any taxpayer  
18       who may claim the child as a dependent; and

19               “(C) the cost of which is not covered by the  
20       program of medical assistance approved under title  
21       XIX of the State in which the child resides.

22       “(2) The annual dollar amount of the vouchers issued  
23       under this subsection with respect to a child shall not ex-  
24       ceed the annual amount of the cash benefit to which the  
25       child would (but for this subsection) have been entitled  
26       under this title.

1       “(3)(A) The Secretary shall pay to each qualified pro-  
 2 vider of health care goods or services that submits to the  
 3 Secretary a voucher issued under this subsection, the face  
 4 amount of the voucher.

5       “(B) For purposes of subparagraph (A), the term  
 6 ‘qualified provider’ means a provider that is licensed by  
 7 a State or by a professional health care organization ap-  
 8 proved by the Secretary.

9       “(4) The parents of a child who receives vouchers  
 10 under this subsection may submit to the Secretary vouch-  
 11 ers issued under this subsection for transportation costs  
 12 incurred in providing medical or therapeutic assistance to  
 13 such child and the Secretary shall make payments to such  
 14 parents under such vouchers pursuant to the rules relating  
 15 to transportation costs under section 213 of the Internal  
 16 Revenue Code of 1986.”.

17 **SEC. 409. DISABILITY REVIEW REQUIRED FOR SSI RECIPI-**  
 18 **ENTS WHO ARE 18 YEARS OF AGE.**

19       (a) IN GENERAL.—Section 1614(a)(3)(G) (42 U.S.C.  
 20 1382(a)(3)(G)) is amended—

21           (1) by inserting “(i)” after “(G)”; and

22           (2) by adding after and below the end the fol-  
 23 lowing:

24       “(ii)(I) During the 1-year period that begins on the  
 25 date a recipient of benefits under this title by reason of

1 disability attains 18 years of age, the applicable State  
2 agency or the Secretary (as may be appropriate) shall re-  
3 determine the eligibility of the recipient for such benefits  
4 by reason of disability, by applying the criteria used in  
5 determining eligibility for such benefits of applicants who  
6 have attained 18 years of age.

7 “(II) A review under subclause (I) shall be considered  
8 a substitute for a review required under clause (i).”.

9 (b) EFFECTIVE DATE.—The amendments made by  
10 subsection (a) shall apply to individuals who attain 18  
11 years of age in or after the 9th month after the month  
12 in which this Act is enacted.

13 **SEC. 410. AMOUNT OF FUNDS AVAILABLE FOR LOW-INCOME**  
14 **HOME ENERGY ASSISTANCE.**

15 Notwithstanding any other provision of law, the  
16 amount of funds available for obligation in any fiscal year  
17 for programs and activities under the Low-Income Home  
18 Energy Assistance Act of 1981 (title XXVI of Public Law  
19 97-35; 42 U.S.C. 8621 et seq.) shall be the amount of  
20 funds appropriated for that fiscal year for such programs  
21 and activities pursuant to the authorization of appropria-  
22 tions in section 2602(b) of such Act (42 U.S.C. 8621(b))  
23 reduced by \$400,000,000.

# **TITLE V—STATE OPTIONS AND MISCELLANEOUS PROVISIONS**

## **SEC. 501. OPTION TO TIME LIMIT WELFARE.**

### **(a) AFDC PROGRAM.—**

(1) IN GENERAL.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101(b)(2)(A) and (e), 103 (a) and (b), 201(b), 202(a), 203(a), and 404(b), is amended—

(A) by striking “and” at the end of paragraph (52);

(B) by striking the period at the end of paragraph (53) and inserting “; and”; and

(C) by inserting after paragraph (53) the following new paragraph:

“(54) at the option of the State—

“(A) provide that aid shall be available to a family otherwise eligible under the plan only for a period of time determined appropriate by the State; and

“(B) provide that in the case of a family applying for aid under the State plan that has moved to the State from another State which has a limit under subparagraph (A) in effect, the State may apply such limit to the family in determining—

1                   “(i) the eligibility of the family for aid  
2                   under this part; and

3                   “(ii) the amount of aid available to  
4                   the family under this part.”.

5                   (2) ELIGIBILITY FOR MEDICAID PROGRAM.—

6                   Section 402 (42 U.S.C. 602) is amended by insert-  
7                   ing after subsection (c) the following new subsection:

8                   “(d) An individual shall continue to be eligible for  
9                   medical assistance under the State plan under title XIX  
10                  if, but for the exercise by the State of the option under  
11                  subsection (a)(54), the individual would be eligible for aid  
12                  to families with dependent children under this part.”.

13                  (b) FOOD STAMP PROGRAM.—Section 6 of the Food  
14                  Stamp Act of 1977 (7 U.S.C. 2015), as amended by sec-  
15                  tions 102(a), 201(c), and 202(b), is amended by adding  
16                  at the end the following new subsection:

17                  “(1)(1) A State may provide that food stamps shall  
18                  be available to households residing in the State that are  
19                  otherwise eligible under this Act only for a period of time  
20                  determined appropriate by the State.

21                  “(2) If a household moves to a State from another  
22                  State which has a limit under paragraph (1) in effect, the  
23                  State to which the household moves may apply such limit  
24                  to such household in determining—

1           “(A) the eligibility of the household for food  
2 stamps; and

3           “(B) the amount of the allotment of the house-  
4 hold.”.

5       (c) HOUSING PROGRAMS.—The United States Hous-  
6 ing Act of 1937 (42 U.S.C. 1437 et seq.), as amended  
7 in section 201(d), is amended—

8           (1) in section 6, by adding at the end the fol-  
9 lowing new subsection:

10       “(r) OPTION TO TIME LIMIT ASSISTANCE.—Each  
11 contract described in subsection (a) shall provide that—

12           “(1) the Governor of each State shall have the  
13 option to limit the period of time during which any  
14 individual residing in the State who is otherwise eli-  
15 gible to receive assistance under this Act may receive  
16 such assistance; and

17           “(2) if an individual moves to a State from an-  
18 other State which has a limit under paragraph (1)  
19 in effect, the Governor of the State to which the in-  
20 dividual moves may apply such limit to such individ-  
21 ual in determining—

22           “(A) the eligibility of the individual for as-  
23 sistance under this Act; and

24           “(B) the amount of assistance available to  
25 the individual under this Act.”; and

1           (2) in section 8, by adding at the end the fol-  
 2           lowing new subsection:

3           “(aa) **OPTION TO TIME LIMIT ASSISTANCE.**—Each  
 4 contract to make assistance payments described in sub-  
 5 section (a) shall provide that—

6           “(1) the Governor of each State shall have the  
 7           option to limit the period of time during which any  
 8           individual residing in the State who is otherwise eli-  
 9           gible to receive assistance under this section may re-  
 10          ceive such assistance; and

11          “(2) if an individual moves to a State from an-  
 12          other State which has a limit under paragraph (1)  
 13          in effect, the Governor of the State to which the in-  
 14          dividual moves may apply such limit to such individ-  
 15          ual in determining—

16                 “(A) the eligibility of the individual for as-  
 17                 sistance under this section; and

18                 “(B) the amount of assistance available to  
 19                 the individual under this section.”.

20 **SEC. 502. OPTION TO TREAT INTERSTATE IMMIGRANTS**  
 21 **UNDER RULES OF FORMER STATE WITH RE-**  
 22 **SPECT TO AFDC BENEFITS.**

23           Section 402(a) (42 U.S.C. 602(a)), as amended by  
 24 sections 101(b)(2)(A) and (e), 103 (a) and (b), 201(b),  
 25 202(a), 203(a), 404(b), and 501, is amended—

1           (1) by striking “and” at the end of paragraph  
2           (53);

3           (2) by striking the period at the end of para-  
4           graph (54) and inserting “; and”; and

5           (3) by inserting after paragraph (54) the fol-  
6           lowing new paragraph:

7           “(55) except as provided in paragraph (54) (re-  
8           garding time limits on receipt of aid), at the option  
9           of the State, in the case of a family applying for aid  
10          under the State plan that has moved to the State  
11          from another jurisdiction of the United States with  
12          a State plan approved under this part, and has re-  
13          sided in the State for less than 24 months consecu-  
14          tively (as determined by the State), apply the rules  
15          that would have been applied by such jurisdiction if  
16          the family had not moved from such other jurisdic-  
17          tion in determining—

18                 “(A) the eligibility of the family for bene-  
19                 fits, and

20                 “(B) the amount of benefits payable to the  
21                 family under the State plan,  
22                 during the 24-month period beginning on the date  
23                 the family moved to the State (as determined by the  
24                 State).”.

1 **SEC. 503. EVALUATION OF TRAINING PROGRAMS.**

2 (a) IN GENERAL.—The Secretary of Labor, in co-  
3 operation with the States, shall conduct ongoing evalua-  
4 tions of Federal and State job training programs. Such  
5 evaluations shall—

6 (1) be conducted through experiments using  
7 control groups chosen by scientific random assign-  
8 ment; and

9 (2) determine whether job training programs ef-  
10 fectively raise the hourly wage rates of individuals  
11 receiving training through such programs.

12 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
13 are authorized to be appropriated \$15,000,000 for fiscal  
14 years 1995 through 2000 to carry out the purposes of this  
15 section.

16 **SEC. 504. ELIMINATION OF WELFARE BENEFITS WITH RE-**  
17 **SPECT TO FUGITIVE FELONS AND PROBA-**  
18 **TION AND PAROLE VIOLATORS.**

19 (a) MEDICAID PROGRAM.—

20 (1) INELIGIBILITY FOR MEDICAL ASSIST-  
21 ANCE.—Section 1902(a) (42 U.S.C. 1396a(a)) is  
22 amended—

23 (A) by striking “and” at the end of para-  
24 graph (61);

25 (B) by striking the period at the end of  
26 paragraph (62) and inserting “; and”; and

(C) by adding at the end the following new paragraph:

“(63) provide that no medical assistance shall be available under the plan to any individual who—

“(A) is taking an action described in section 1073(1) of title 18, United States Code, or

“(B) is violating a condition of probation or parole imposed under Federal or State law.”.

(2) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 1902(a)(7) (42 U.S.C. 1396a(a)(7)) is amended by inserting the following after the semicolon: “but such safeguards shall not prevent the State agency from furnishing a Federal, State, or local law enforcement officer, upon such officer’s request, with the current address of any recipient if the officer furnishes the agency with such recipient’s name and notifies the agency that—

“(A) such recipient—

“(i) is taking an action described in section 1073(1) of title 18, United States Code or violating a condition of probation or parole imposed under Federal or State law; or

1                   “(ii) has information that is necessary  
2                   for the officer to conduct the officer’s offi-  
3                   cial duties;

4                   “(B) the location or apprehension of such  
5                   recipient is within the officer’s official duties;  
6                   and

7                   “(C) the request is made in the proper ex-  
8                   ercise of those duties;”.

9                   (b) AFDC PROGRAM.—

10                  (1) INELIGIBILITY FOR AID.—Section 402(a),  
11                  as amended by sections 101(b)(2)(A) and (e), 103  
12                  (a) and (b), 201(b), 202(a), 203(a), 404(b), 501,  
13                  and 502, (42 U.S.C. 602(a)) is amended—

14                   (A) by striking “and” at the end of para-  
15                   graph (54);

16                   (B) by striking the period at the end of  
17                   paragraph (55) and inserting “; and”; and

18                   (C) by inserting after paragraph (55) the  
19                   following new paragraph:

20                   “(56) provide that no aid shall be available  
21                   under the plan to any individual who—

22                   “(A) is taking an action described in sec-  
23                   tion 1073(1) of title 18, United States Code, or

24                   “(B) is violating a condition of probation  
25                   or parole imposed under Federal or State law.”.

(2) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 402(a)(9) (42 U.S.C. 602(a)(9)) is amended by striking “State or local” through “official duties” and inserting “Federal, State, or local law enforcement officer, upon such officer’s request, with the current address of any recipient if the officer furnishes the agency with such recipient’s name and notifies the agency that such recipient is taking an action described in section 1073(1) of title 18, United States Code, is violating a condition of probation or parole imposed under Federal or State law, or has information that is necessary for the officer to conduct the officer’s official duties, that the location or apprehension of such recipient is within the officer’s official duties”.

(c) FOOD STAMP PROGRAM.—

(1) INELIGIBILITY FOR FOOD STAMPS.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by sections 102(a), 201(c), 202(b), and 501(b), is amended by adding at the end the following new subsection:

“(m) No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household while the individual is—

1           “(1) taking an action described in section  
2       1073(1) of title 18, United States Code; or

3           “(2) violating a condition of probation or parole  
4       imposed under Federal or State law.”.

5           (2) EXCHANGE OF INFORMATION WITH LAW  
6       ENFORCEMENT OFFICERS.—Section 11(e)(8) of such  
7       Act (7 U.S.C. 2020(e)(8)) is amended—

8           (A) by striking “and (C)” and inserting  
9       “(C)”; and

10          (B) by inserting before the semicolon at  
11       the end the following: “, and (D) notwithstand-  
12       ing any other provision of law, all information  
13       obtained under this Act from a member of a  
14       household shall be made available, on request,  
15       to a Federal, State, or local law enforcement of-  
16       ficer if the officer furnishes the State agency  
17       with the name of the member and notifies the  
18       agency that (i) the member (I) is taking an ac-  
19       tion described in section 1073(1) of title 18,  
20       United States Code, or violating a condition of  
21       probation or parole imposed under Federal or  
22       State law, or (II) has information that is nec-  
23       essary for the officer to conduct the officer’s of-  
24       ficial duties, (ii) the location or apprehension of  
25       the member is within the official duties of the

1           officer, and (iii) the request is made in the  
2           proper exercise of the duties”.

3       (d) SSI PROGRAM.—

4           (1) INELIGIBILITY FOR AID.—Section 1611(e)  
5       (42 U.S.C. 1382(e)) is amended by inserting after  
6       paragraph (3) the following new paragraph:

7       “(4) No person shall be an eligible individual or eligi-  
8       ble spouse for purposes of this title with respect to any  
9       month if throughout such month such individual or  
10      spouse—

11           “(A) is taking an action described in sec-  
12           tion 1073(1) of title 18, United States Code, or

13           “(B) is violating a condition of probation  
14           or parole imposed under Federal or State law.”.

15           (2) EXCHANGE OF INFORMATION WITH LAW  
16       ENFORCEMENT AGENCIES.—Section 1631(e) (42  
17       U.S.C. 1383(e)) is amended by inserting after para-  
18       graph (3) the following new paragraph:

19       “(4) Notwithstanding any other provision of law, the  
20       Secretary shall furnish any Federal, State, or local law  
21       enforcement officer, upon such officer’s request, with the  
22       current address of any recipient of benefits under this  
23       title, if the officer furnishes the agency with such recipi-  
24       ent’s name and notifies the agency that—

25           “(A) such recipient—

1 “(i) is taking an action described in section  
 2 1073(1) of title 18, United States Code or vio-  
 3 lating a condition of probation or parole im-  
 4 posed under Federal or State law; or

5 “(ii) has information that is necessary for  
 6 the officer to conduct the officer’s official du-  
 7 ties;

8 “(B) the location or apprehension of such recip-  
 9 ient is within the officer’s official duties; and

10 “(C) the request is made in the proper exercise  
 11 of those duties.”.

12 (e) HOUSING PROGRAMS.—

13 (1) ELIGIBILITY FOR ASSISTANCE.—The United  
 14 States Housing Act of 1937 (42 U.S.C. 1437 et  
 15 seq.) is amended—

16 (A) in section 6(l)—

17 (i) in paragraph (5), by striking  
 18 “and” at the end;

19 (ii) in paragraph (6), by striking the  
 20 period at the end and inserting “; and”;  
 21 and

22 (iii) by inserting immediately after  
 23 paragraph (6) the following new para-  
 24 graph:

“(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—

“(A) is taking an action described in section 1073(1) of title 18, United States Code; or

“(B) is violating a condition of probation or parole imposed under Federal or State law.”;

and

(B) in section 8(d)(1)(B)—

(i) in clause (iii), by striking “and” at the end;

(ii) in clause (iv), by striking the period at the end and inserting “; and”; and

(iii) by adding after clause (iv) the following new clause:

“(v) it shall be cause for termination of the tenancy of a tenant if such tenant—

“(I) is taking an action described in section 1073(1) of title 18, United States Code; or

“(II) is violating a condition of probation or parole imposed under Federal or State law;”.

(2) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Title I of the United

1 States Housing Act of 1937 (42 U.S.C. 1437 et  
2 seq.) is amended by adding at the end the following  
3 new section:

4 **“SEC. 26. PROVISION OF INFORMATION TO LAW ENFORCE-**  
5 **MENT AGENCIES.**

6 “Notwithstanding any other provision of law, each  
7 public housing agency shall furnish to any Federal, State,  
8 or local law enforcement agency, upon request, the current  
9 address of any recipient of assistance under this Act if  
10 the law enforcement agency—

11 “(1) furnishes the public housing agency with  
12 such recipient’s name; and

13 “(2) notifies such agency that—

14 “(A) such recipient—

15 “(i) is taking an action described in  
16 section 1073(1) of title 18, United States  
17 Code or violating a condition of probation  
18 or parole imposed under Federal or State  
19 law; or

20 “(ii) has information that is necessary  
21 for the officer to conduct the officer’s offi-  
22 cial duties;

23 “(B) the location or apprehension of such  
24 recipient is within the official duties of the  
25 agency; and

“(C) the request is made in the proper exercise of such duties.”.

(f) EFFECTIVE DATES.—The amendments made by this section shall be effective on the date of the enactment of this Act.

## **TITLE VI—CAPPING THE AGGREGATE GROWTH OF WELFARE SPENDING**

### **SEC. 601. CAP ON GROWTH OF FEDERAL SPENDING ON CERTAIN WELFARE PROGRAMS.**

(a) RESTRICTIONS ON SPENDING.—The total amount of Federal spending for a fiscal year for the programs listed in subsection (b) shall not exceed—

(1) in fiscal year 1995, an amount equal to the sum of—

(A) the total Federal spending for fiscal year 1994 on the programs listed in section 603;

(B) the total Federal spending for fiscal year 1994 on the refundable portion of the earned income credit under section 32 of the Internal Revenue Code of 1986; and

(C) the total Federal spending for fiscal year 1994 on the head start programs carried out under the Head Start Act;

1 (D) the total Federal spending for fiscal  
2 year 1994 on cash, medical, and social services  
3 assistance furnished to refugees and entrants  
4 under title IV of the Immigration and National-  
5 ity Act and section 501 of the Refugee Edu-  
6 cation Assistance Act of 1980; and

7 (E) the total Federal spending for fiscal  
8 year 1994 on the special supplemental food pro-  
9 gram for women, infants, and children carried  
10 out under section 17 of the Child Nutrition Act  
11 of 1966; and

12 (2) in fiscal year 1996 and succeeding fiscal  
13 years, an amount equal to the sum of—

14 (A) the total Federal spending permitted  
15 under this subsection for the preceding fiscal  
16 year; and

17 (B) 3.5 percent of such spending.

18 (b) PROGRAMS SUBJECT TO SPENDING LIMIT.—The  
19 programs listed in this subsection are the following:

20 (1) The welfare block grant program estab-  
21 lished under section 602.

22 (2) The refundable portion of the earned in-  
23 come credit under section 32 of the Internal Reve-  
24 nue Code of 1986.

1           (3) Grants for assistance to children born out-  
2       of-wedlock under part C of title IV of the Social Se-  
3       curity Act.

4           (4) The head start programs carried out under  
5       the Head Start Act.

6           (5) The cash, medical, and social services as-  
7       sistance programs for refugees and entrants under  
8       title IV of the Immigration and Nationality Act and  
9       section 501 of the Refugee Education Assistance Act  
10      of 1980.

11          (6) The special supplemental food program for  
12      women, infants, and children carried out under sec-  
13      tion 17 of the Child Nutrition Act of 1966.

14      (c) RECONCILIATION OF GROWTH LIMITS.—

15          (1) ALLOCATIONS.—The joint explanatory  
16      statement accompanying a conference report on a  
17      concurrent resolution on the budget described in sec-  
18      tion 301 of the Congressional Budget Act of 1974  
19      for a fiscal year shall include allocations to each  
20      committee based on the spending cap imposed by  
21      subsection (a) for such fiscal year.

22          (2) RECONCILIATION DIRECTIVES.—The rec-  
23      onciliation directives described in section 310 of the  
24      Congressional Budget Act of 1974 shall specify re-  
25      ductions for each committee necessary to comply

1 with the spending caps imposed by subsection (a) for  
2 such fiscal year.

3 (3) CONSULTATION WITH COMMITTEES.—In  
4 conducting any activities required under paragraphs  
5 (1) and (2), the Committees on the Budget of the  
6 House of Representatives and the Senate shall con-  
7 sult with the following committees of Congress:

8 (A) The Committee on Ways and Means of  
9 the House of Representatives.

10 (B) The Committee on Finance of the Sen-  
11 ate.

12 (C) The Committee on Agriculture of the  
13 House of Representatives.

14 (D) The Committee on Agriculture, Nutri-  
15 tion, and Forestry of the Senate.

16 (E) The Committee on Education and  
17 Labor of the House of Representatives.

18 (F) The Committee on Labor and Human  
19 Resources of the Senate.

20 (G) The Committee on Banking, Finance  
21 and Urban Affairs of the House of Representa-  
22 tives.

23 (H) The Committee on Banking, Housing,  
24 and Urban Affairs of the Senate.

(I) The Committee on Energy and Commerce of the House of Representatives.

(d) REFUNDABLE PORTION OF EITC.—For purposes of this title, the refundable portion of the earned income credit under section 32 of the Internal Revenue Code of 1986 is the amount treated as an overpayment of tax under section 6401(b)(1) of such Code which is allocable to such credit.

**SEC. 602. ESTABLISHMENT OF WELFARE BLOCK GRANT PROGRAM.**

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—For fiscal year 1995 and succeeding fiscal years, the Secretary of Health and Human Services (hereafter referred to in this section as the “Secretary”) shall make grants to the States in accordance with this section.

(2) LIMIT ON TOTAL AMOUNT OF GRANTS.—

(A) IN GENERAL.—The aggregate amount of grants made to States under this section for a fiscal year shall not exceed the total Federal spending permitted under section 601(a) for the fiscal year reduced by the sum of the amount to be expended by the Federal Government for the fiscal year, as estimated by the Congressional Budget Office, for—

1 (i) the refundable portion of the  
2 earned income credit under section 32 of  
3 the Internal Revenue Code of 1986;

4 (ii) grants for assistance to children  
5 born out-of-wedlock under part C of title  
6 IV of the Social Security Act;

7 (iii) the head start programs carried  
8 out under the Head Start Act;

9 (iv) cash, medical, and social services  
10 assistance furnished to refugees and en-  
11 trants under title IV of the Immigration  
12 and Nationality Act and section 501 of the  
13 Refugee Education Assistance Act of 1980;  
14 and

15 (v) the special supplemental food pro-  
16 gram for women, infants, and children car-  
17 ried out under section 17 of the Child Nu-  
18 trition Act of 1966.

19 (B) ADJUSTMENTS.—If the programs list-  
20 ed in clauses (i) through (iii) of subparagraph  
21 (A) are amended by law after the Congressional  
22 Budget Office has completed the estimates re-  
23 quired under such subparagraph, the aggregate  
24 amount of grants made to States under this  
25 section (as determined under subparagraph

(A)) shall be reduced by the amount by which the total Federal spending on such programs, as amended, will exceed the amount determined under such estimates.

(3) ALLOCATION TO THE STATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a State shall receive a grant under this section for a fiscal year equal to the amount which bears the same ratio to the total amount appropriated for grants under this section for the fiscal year as the total amount of Federal funds received by the State under the programs listed in section 603 for fiscal year 1994 bears to the total amount of Federal funds received by all States under the programs listed in section 603 for fiscal year 1994.

(B) SPECIAL RULE FOR PUBLIC HOUSING AUTHORITIES.—In the case of a State which is a public housing authority, any grant made under subparagraph (A) with respect to such authority shall be directly allocated to the highest governmental unit of general authority (other than the Federal Government) in the jurisdiction in which the such authority is located.

1 (b) PROVISION OF AID TO LOW-INCOME HOUSE-  
2 HOLDS.—

3 (1) IN GENERAL.—A State shall use the  
4 amounts received under this section to provide aid to  
5 low-income households located in the State. Except  
6 as provided in subsection (c), a State shall have the  
7 authority to provide such aid in any manner deter-  
8 mined appropriate by the State, including the au-  
9 thority to determine—

10 (A) the type of benefits constituting such  
11 aid;

12 (B) the level of benefits constituting such  
13 aid;

14 (C) the eligibility criteria for such aid; and

15 (D) the appropriateness of any reports to  
16 the Secretary with respect to such aid.

17 (2) DEFINITION OF LOW-INCOME HOUSE-  
18 HOLD.—For purposes of this section, the term “low-  
19 income household” means a household with an an-  
20 nual income that is less than 175 percent of the  
21 Federal poverty income guidelines issued by the De-  
22 partment of Health and Human Services.

23 (c) SPECIAL RULES REGARDING USE OF FUNDS.—

24 (1) NO FUNDS USED FOR ABORTION.—A State  
25 may not use grant funds received under this section

1 for making abortion available as a method of family  
2 planning or for any counseling or advising with re-  
3 spect to abortion.

4 (2) WORK REQUIREMENTS.—

5 (A) IN GENERAL.—If a State uses grant  
6 funds received under this section to provide di-  
7 rect cash assistance during a fiscal year to a  
8 population that is equivalent to a population de-  
9 scribed in subparagraph (B), the requirements  
10 concerning work, job search, and job training  
11 provided under subparagraph (C) shall apply to  
12 each equivalent population receiving assistance.

13 (B) POPULATIONS DESCRIBED.—The pop-  
14 ulations described in this subparagraph are the  
15 populations that would be required to partici-  
16 pate in—

17 (i) the State's welfare and dependency  
18 reduction program under subsection (a)(1)  
19 of section 483 of the Social Security Act  
20 (as amended by section 101 of this Act) if  
21 such program were in effect during the fis-  
22 cal year; and

23 (ii) the State's welfare and depend-  
24 ency reduction program under subsection  
25 (c)(1) of section 483 of the Social Security

1 Act (as amended by section 101 of this  
2 Act) if such program were in effect during  
3 the fiscal year.

4 (C) REQUIREMENTS ON STATES.—With re-  
5 spect to any population which receives direct  
6 cash assistance under this section and which is  
7 equivalent to a population described in subpara-  
8 graph (B), the State shall meet the following  
9 requirements:

10 (i) The State shall meet the cor-  
11 responding State participation rate re-  
12 quirements established under subsections  
13 (a)(2) and (c)(2) of section 483 of the So-  
14 cial Security Act (as amended by section  
15 101 of this Act) that would be in effect if  
16 the State's welfare and dependency reduc-  
17 tion program were in effect during the fis-  
18 cal year.

19 (ii)(I) Except as provided in subclause  
20 (II), the State shall not reduce the number  
21 of hours of required participation in work  
22 and job search activity specified under sub-  
23 sections (a)(1) and (c)(1) of section 483 of  
24 the Social Security Act (as amended by  
25 section 101 of this Act) that would be in

1 effect if the State's welfare and depend-  
2 ency reduction program were in effect dur-  
3 ing the fiscal year.

4 (II) For purposes of subclause (I), a  
5 State may reduce the number of hours of  
6 required participation as specified under  
7 subsection (c)(1) of section 483 of the So-  
8 cial Security Act in the case of an individ-  
9 ual who provides child care services to  
10 other individuals conducting work, job  
11 search, and job training activities in ac-  
12 cordance with this subparagraph.

13 (iii) In establishing participation re-  
14 quirements for a population which is re-  
15 ceiving direct cash assistance under this  
16 section and which is equivalent to the pop-  
17 ulation described in section 483(c)(1) of  
18 the Social Security Act (as amended by  
19 section 101 of this Act) the State shall  
20 comply with the provisions of section  
21 483(c)(3) of such Act (as amended by sec-  
22 tion 101 of this Act) relating to work pri-  
23 orities for families with older children, that  
24 would be in effect if the State's welfare

1 and dependency reduction program were in  
2 effect during the fiscal year.

3 (iv) In meeting its participation re-  
4 quirements under this paragraph with re-  
5 spect to a population which is receiving di-  
6 rect cash assistance under this section, the  
7 State shall comply with the provisions of  
8 section 483(d) of such Act (as amended by  
9 section 101 of this Act) relating to an indi-  
10 vidual option to seek employment using a  
11 voucher that would be in effect if the  
12 State's welfare and dependency reduction  
13 program were in effect during the fiscal  
14 year.

15 (v) In operating any work program in  
16 accordance with this paragraph, the State  
17 shall follow a system of payment based on  
18 performance which directly prorates assist-  
19 ance based on the satisfactory completion  
20 of the required hours of specified activity,  
21 similar to the system established under  
22 section 484(e) of the Social Security Act  
23 (as amended by section 101 of this Act).

24 (vi) The State shall require individ-  
25 uals who are noncustodial parents who fail

1 to pay child support for children who re-  
2 ceive direct cash or food assistance under  
3 this section and who are equivalent to chil-  
4 dren who would be eligible for aid to fami-  
5 lies with dependent children if such pro-  
6 gram were in effect during the fiscal year,  
7 to comply with the provisions of section  
8 483(b) of the Social Security Act (as  
9 amended by section 101 of this Act) that  
10 would be in effect if the State's welfare  
11 and dependency reduction program were in  
12 effect during the fiscal year.

13 (D) OTHER RECIPIENTS.—If a State uses  
14 grant funds received under this section to pro-  
15 vide direct food or cash assistance during a fis-  
16 cal year to a population that is equivalent to  
17 the population that would be subject to the  
18 State work program under section 6(i) of the  
19 Food Stamp Act of 1977 (as amended by sec-  
20 tion 102 of this Act) if such program were in  
21 effect during the fiscal year, such equivalent  
22 population shall be subject to the provisions of  
23 section 6(i) of the Food Stamp Act of 1977 (as  
24 amended by section 102 of this Act) as if such  
25 program were in effect during the fiscal year.

1 (E) STATE EXPERIMENTATION.—

2 (i) IN GENERAL.—Except as provided  
3 in clause (ii), for purposes of experimen-  
4 tation, a State may waive within a limited  
5 locality within the State the requirements  
6 under subparagraphs (C) and (D). A State  
7 conducting an experiment under this sub-  
8 paragraph shall have the full authority to  
9 establish within the locality of the  
10 experiment—

11 (I) the categories of recipients of  
12 aid who will be required to participate  
13 in some form of work, job search, or  
14 job training activity; and

15 (II) the types of activity which  
16 will be required.

17 (ii) LIMITATION.—Clause (i) shall  
18 apply to a State only if the State meets the  
19 following requirements:

20 (I) The State shall notify the  
21 Secretary of the modifications to the  
22 requirements under subparagraphs  
23 (C) and (D) that the State proposes  
24 to make and shall receive the approval  
25 of the Secretary.

(II) The State shall assure the Secretary that the overall average weekly aggregate number of recipients of assistance under this section within the locality of the experiment who will be required to participate in some form of work, job search, or job training will not be less than the average weekly number required to participate in such activities under subparagraphs (C) and (D).

(F) WORK REQUIREMENTS ELIMINATED FOR GROUPS WHICH NO LONGER RECEIVE BENEFITS.—The State shall not be required to impose work, job search, or job training requirements on any—

(i) subgroup of a population that is equivalent to a subgroup of a population described in subparagraph (B), if the State ceases to provide direct cash assistance to such subgroup; or

(ii) subgroup of a population that is equivalent to a subgroup of the population that would be subject to the State work program under section 6(i) of the Food

1 Stamp Act of 1977 (as amended by section  
2 102 of this Act) if such program were in  
3 effect, if the State ceases to provide direct  
4 food or cash assistance to such subgroup.

5 (3) BENEFITS TO YOUNG UNWED PARENTS.—

6 (A) CASH ASSISTANCE.—Any individual  
7 described in section 402(a)(50)(A) of the Social  
8 Security Act (as added by section 201(b) of this  
9 Act) shall be denied cash assistance paid out of  
10 grant funds received by the State under this  
11 section in the same manner as such individual  
12 would be denied aid to families with dependent  
13 children under such section if funding for the  
14 aid to families with dependent children program  
15 was not terminated under section 603.

16 (B) FOOD ASSISTANCE.—Any individual  
17 described in section 6(j)(1) of the Food Stamp  
18 Act of 1977 (as added by section 201(c) of this  
19 Act) shall be denied direct food assistance paid  
20 out of grant funds received by the State under  
21 this section in the same manner as such indi-  
22 vidual would be denied food stamps under such  
23 section if funding for the food stamp program  
24 was not terminated under section 603.

1 (C) HOUSING ASSISTANCE.—Any individ-  
2 ual described in sections 6(q) and (8)(z) of the  
3 United States Housing Act of 1937 (as added  
4 by section 201(d) of this Act) shall be denied  
5 housing assistance paid out of grant funds re-  
6 ceived by the State under this section in the  
7 same manner as such individual would be de-  
8 nied housing assistance under such section if  
9 funding for the housing assistance program was  
10 not terminated under section 603.

11 (4) BENEFIT PROVISIONS REGARDING ADDI-  
12 TIONAL CHILDREN.—A State may not use grant  
13 funds received under this section for providing direct  
14 cash, food, or housing aid to a child if the custodial  
15 parent of such child is, at the time of the child's  
16 birth—

17 (A) a recipient of direct cash aid paid for  
18 out of grant funds received by the State under  
19 this section; or

20 (B) an individual who received such aid  
21 anytime during the 10-month period ending  
22 with the birth of the child.

23 (5) REQUIREMENTS FOR PATERNITY ESTAB-  
24 LISHMENT.—The provisions of section 402(a)(52) of  
25 the Social Security Act (as added by section 203(a)

1 of this Act) shall apply to any family applying for  
2 direct cash aid paid out of grant funds received by  
3 a State under this section in the same manner as  
4 such provisions would apply to a family applying for  
5 aid under the aid to families with dependent children  
6 program if funding for such program was not termi-  
7 nated under section 603.

8 (6) REQUIREMENTS RELATING TO AID FOR  
9 NONCITIZENS.—A State shall not use grant funds  
10 received under this section for providing aid to an  
11 individual who is not a United States citizen.

12 (7) AID DENIED TO FUGITIVE FELONS AND  
13 PROBATION OR PAROLE VIOLATORS.—

14 (A) IN GENERAL.—A State shall not use  
15 grant funds received under this section for pro-  
16 viding aid to an individual who—

17 (i) is taking an action described in  
18 section 1073(1) of title 18, United States  
19 Code, or

20 (ii) is violating a condition of proba-  
21 tion or parole imposed under Federal or  
22 State law.

23 (B) EXCHANGE OF INFORMATION WITH  
24 LAW ENFORCEMENT AGENCIES.—A State re-  
25 ceiving grant funds under this section shall fur-

1 nish to a Federal, State, or local law enforce-  
2 ment officer, upon such officer's request, the  
3 current address of any individual receiving aid  
4 under this section if the officer furnishes the  
5 State with such individual's name and notifies  
6 the State that—

7 (i) such individual—

8 (I) is taking an action described  
9 in section 1073(1) of title 18, United  
10 States Code or violating a condition of  
11 probation or parole imposed under  
12 Federal or State law; or

13 (II) has information that is nec-  
14 essary for the officer to conduct the  
15 officer's official duties;

16 (ii) the location or apprehension of  
17 such recipient is within the officer's official  
18 duties; and

19 (iii) the request is made in the proper  
20 exercise of those duties.

21 (8) CIVIL RIGHTS LAWS.—A State shall not vio-  
22 late any requirement established by statute or regu-  
23 lation under the following Acts in providing aid sing  
24 grant funds received under this section:

1 (A) Title VI of the Civil Rights Act of  
2 1965.

3 (B) Section 504 of the Rehabilitation Act  
4 of 1973.

5 (C) Title IX of the Education Amendments  
6 of 1972.

7 (D) The Age Discrimination Act of 1975.

8 (E) The Americans With Disabilities Act  
9 of 1990.

10 (9) RECOMMENDATION WITH RESPECT TO CER-  
11 TAIN PROVISIONS.—Except as provided in para-  
12 graphs (2), (3), (4), (5), (6), and (7) it is rec-  
13 ommended that a State provide aid out of grant  
14 funds received under this section in accordance with  
15 the principles of the provisions contained in the  
16 amendments made by titles I, II, V, and VI of this  
17 Act.

18 (10) CHILD SUPPORT AND PATERNITY ESTAB-  
19 LISHMENT.—A State receiving grant funds under  
20 this section shall conduct child support and pater-  
21 nity establishment activities in accordance with part  
22 D of title IV of the Social Security Act.

23 (d) NO ENTITLEMENT TO RECEIVE AID.—An indi-  
24 vidual shall not be entitled to receive aid out of grant  
25 funds received by a State under this section.

1 (e) DEFINITION OF STATE.—For purposes of this  
2 section, the term “State” means any governmental unit  
3 (other than a public housing authority) that received Fed-  
4 eral funds under a program listed in section 603 during  
5 fiscal year 1994.

6 **SEC. 603. CONVERSION OF FUNDING UNDER CERTAIN WEL-**  
7 **FARE PROGRAMS.**

8 Notwithstanding any other provision of law, effective  
9 October 1, 1994, funding under the following programs  
10 is terminated and any State obligations under such pro-  
11 grams are terminated:

12 (1) CASH AID.—

13 (A) The program of aid and services to  
14 needy families with children under title IV of  
15 the Social Security Act (excluding the child  
16 support and establishment of paternity program  
17 under part D of such title) (Budget account  
18 number: 75-1501-0-1-609).

19 (B) The supplemental security income pro-  
20 gram under title XVI of the Social Security Act  
21 (Budget account number: 75-0406-0-1-609).

22 (C) The foster care and adoption assist-  
23 ance program under part E of title IV of the  
24 Social Security Act (Budget account number:  
25 75-1545-1-1-506).

1 (D) Emergency assistance to needy fami-  
2 lies with children under title I, parts A and D  
3 of title IV, and titles X, XI, XIV, and XVI of  
4 the Social Security Act (Budget account num-  
5 ber: 75-1501-0-1-609).

6 (E) General assistance to Indians (Budget  
7 account number: 14-2100-0-1-452).

8 (2) MEDICAL AID.—

9 (A) Indian health services (Budget account  
10 number: 75-0390-0-1-551).

11 (B) The Maternal and Child Health Serv-  
12 ices Block Grant Program under title V of the  
13 Social Security Act. (Budget account number:  
14 75-0350-0-1-551).

15 (C) The program established in section  
16 330 of the Public Health Service Act (relating  
17 to community health centers) (Budget account  
18 number: 75-0350-0-1-550).

19 (D) The program established in section  
20 329 of the Public Health Service Act (relating  
21 to migrant health centers) (Budget account  
22 number: 75-0350-0-1-550).

23 (3) FOOD AID.—

1           (A) The food stamp program under the  
2 Food Stamp Act of 1977 (Budget account num-  
3 ber: 12-3505-0-1-605).

4           (B) The school lunch program carried out  
5 under the National School Lunch Act (Budget  
6 account number: 12-3539-0-1-605).

7           (C) The emergency food assistance pro-  
8 gram under the Emergency Food Assistance  
9 Act of 1983 (Budget account number: 12-  
10 3635-0-1-351).

11           (D) The nutrition programs carried out  
12 under part C of title III of the Older Americans  
13 Act of 1965 (Budget account number: 12-  
14 3503-0-1-351).

15           (E) The school breakfast program carried  
16 out under section 4 of the Child Nutrition Act  
17 of 1966 (Budget account number: 12-3539-0-  
18 1-605).

19           (F) The child and adult care food program  
20 carried out under section 17 of the National  
21 School Lunch Act (Budget account number:  
22 12-3539-0-1-605).

23           (G) The summer food service program for  
24 children carried out under section 13 of the Na-

1            tional School Lunch Act (Budget account num-  
2            ber: 12-3539-0-1-605).

3            (H) The needy families food distribution  
4            program under section 4(b) of the Food Stamp  
5            Act of 1977 (Budget account number: 12-  
6            3503-0-1-605).

7            (I) The commodity supplemental food pro-  
8            gram for children and elderly persons author-  
9            ized by the Agriculture and Consumer Protec-  
10          tion Act of 1973 (Budget account number: 12-  
11          3512-0-1-605).

12          (J) The special milk program carried out  
13          under section 3 of the Child Nutrition Act of  
14          1966 (Budget account number: 12-3502-0-1-  
15          605).

16          (4) HOUSING AID.—

17          (A) Lower income housing assistance  
18          under section 8 of the United States Housing  
19          Act of 1937 (42 U.S.C. 1772) (Budget account  
20          number: 86-0139-0-1-604).

21          (B) Low-rent public housing under the  
22          United States Housing Act of 1937 (Budget ac-  
23          count number: 86-4098-0-3-604).

24          (C) Rural housing loans for low-income  
25          families under section 502 of the Housing Act

of 1949 (Budget account number: 12-2081-0-1-371).

(D) Interest reduction payments under section 236 of the National Housing Act (Budget account number: 86-0148-0-1-604).

(E) Rural rental housing loans under section 515 of the Housing Act of 1949 (Budget account number: 12-2081-0-1-371).

(F) Rural rental assistance under section 521 of the Housing Act of 1949 (Budget account number: 12-0137-0-1-604).

(G) Homeownership assistance for lower income families under section 235 of the National Housing Act (Budget account number: 86-0148-0-1-604).

(H) Rent supplements under section 101 of the Housing and Urban Development Act of 1965 (Budget account number: 86-0129-0-1-604).

(I) Indian housing improvement grants under part 256 of title 25 Code of Federal Regulations (Budget account number: 14x-2301-0-1-452).

(J) Rural housing repair loan grants for very low-income rural home owners under sec-

1           tion 504 of the Housing Act of 1949 (Budget  
2           account number: 12-2081-0-1-371).

3           (K) Farm labor housing loans under sec-  
4           tion 514 of the Housing Act of 1949 (Budget  
5           account number: 12-2081-0-1-371).

6           (L) Rural housing self-help technical as-  
7           sistance grants under section 523 of the Hous-  
8           ing Act of 1949 (Budget account number: 12-  
9           2006-0-1-604).

10          (M) Rural housing self-help technical as-  
11          sistance loans under section 523 of the Housing  
12          Act of 1949 (Budget account number: 12-  
13          2080-0-1-371).

14          (N) Farm labor housing grants under sec-  
15          tion 516 of the Housing Act of 1949 (Budget  
16          account number: 12-2004-0-1-604).

17          (O) Rural housing preservation grants for  
18          low-income rural homeowners under section 533  
19          of the Housing Act of 1949 (Budget account  
20          number: 12-2070-0-1-604).

21          (5) ENERGY AID.—

22          (A) Programs under the Low-Income En-  
23          ergy Assistance Act of 1981 (Budget account  
24          number: 75-1502-0-1-609).

1 (B) The weatherization assistance program  
2 under title IV of the Energy Conservation and  
3 Production Act (Budget account number: 89-  
4 0215-0-1-999).

5 (6) EDUCATION AID.—

6 (A) The Federal Pell Grant Program  
7 under subpart 1 of part A of title IV of the  
8 Higher Education Act of 1965 (Budget account  
9 number: 91-0200-0-1-502).

10 (B) Grants under subpart 1 of part A of  
11 chapter 1 of title I of the Elementary and Sec-  
12 ondary Education Act of 1965 (Budget account  
13 number: 91-0900-0-1-501).

14 (C) Federal supplemental educational op-  
15 portunity grants under subpart 3 of part A of  
16 title IV of the Higher Education Act of 1965  
17 (Budget account number: 91-0200-1-502).

18 (D) Programs for Migratory Children  
19 under subpart 1 of part D of chapter 1 of title  
20 I of the Elementary and Secondary Education  
21 Act of 1965 (Budget account number: 91-  
22 0900-0-501).

23 (E) Federal TRIO Programs under chap-  
24 ter I of subpart 2 of part A of title IV of the

1 Higher Education Act of 1965 (Budget account  
2 number: 91-0201-0-1-502).

3 (F) Grants to States for State Student In-  
4 centives under subpart 4 of part A of title IV  
5 of the Higher Education Act of 1965 (Budget  
6 account number: 91-0200-0-1-502).

7 (G) Grants to Institutions and Consortia  
8 to Encourage Women and Minority Participa-  
9 tion in Graduate Education under part A of  
10 title IX of the Higher Education Act of 1965  
11 (Budget account number: 91-0900-0-1-502).

12 (H) Programs under the Follow Through  
13 Act (Budget account number: 91-1000-0-1-  
14 501).

15 (7) JOBS AND TRAINING AID.—

16 (A) The adult training program carried out  
17 under part A of title II of the Job Training  
18 Partnership Act (Budget account number: 16-  
19 0174-0-1-504-00.01).

20 (B) The summer youth employment and  
21 training program carried out under part B of  
22 title II of the Job Training Partnership Act  
23 (Budget account number: 16-0174-0-1-504-  
24 00.02).

1 (C) The Job Corps carried out under part  
2 B of title IV of the Job Training Partnership  
3 Act (Budget account number: 16-0174-0-1-  
4 504-00.12).

5 (D) The older American community service  
6 employment program carried out under title V  
7 of the Older Americans Act of 1965 (Budget  
8 account number: 16-0175-0-1-504).

9 (E) The JOBS program carried out under  
10 part F of title IV of the Social Security Act  
11 (Budget account number: 75-1509-0-1-504).

12 (F) The Foster Grandparent Program car-  
13 ried out under part B of title II of the Domes-  
14 tic Volunteer Service Act of 1973 (Budget ac-  
15 count number: 44-0103-0-506).

16 (G) The Senior Companion Program car-  
17 ried out under part C of title II of the Domestic  
18 Volunteer Service Act of 1973 (Budget account  
19 number: 44-0103-0-1-506).

20 (H) The employment and training pro-  
21 grams for Native Americans and migrant and  
22 seasonal farmworkers supported under sections  
23 501 and 502 of the Job Training Partnership  
24 Act (Budget account number: 16-0174-0-1-  
25 504).

1 (I) Indian and Native American employ-  
2 ment and training program (Budget account  
3 number: 16-0174-0-1-504).

4 (8) SOCIAL SERVICES.—

5 (A) The Social Services Block Grant under  
6 title XX of the Social Security Act (Budget ac-  
7 count number: 75-1634-0-1-506).

8 (B) The community service block grant  
9 programs carried out under the Community  
10 Services Block Grant Act (Budget account  
11 number: 75-1504-0-1-506).

12 (C) The activities carried out under the  
13 Legal Services Corporation Act (Budget ac-  
14 count number: 20-0501-0-1-752).

15 (D) The emergency food and shelter pro-  
16 gram under title III of the Steward B. McKin-  
17 ney Homeless Assistance Act (Budget account  
18 number: 58-0103-1-605).

19 (E) The population research and voluntary  
20 family planning programs carried out under  
21 title X of the Public Health Service Act (Budg-  
22 et account number: 75-0350-0-1-550).

23 (F) The program under the Domestic Vol-  
24 unteer Service Act of 1973 (Budget account  
25 number: 44-0103-0-1-506).

1 (G) The supportive services carried out  
2 under part B of title III of the Older Americans  
3 Act of 1965 (Budget account number: (75-  
4 0142-1-506).

5 (I) Day care assistance under section  
6 402(g) of the Social Security Act (Budget ac-  
7 count number: 75-1515-0-1-609).

8 (9) AID TO LOW-INCOME COMMUNITIES.—

9 (A) The community development block  
10 grant program carried out under the Housing  
11 and Community Development Act of 1974  
12 (Budget account number: 86-0162-0-1-451).

13 (B) The urban development block grant  
14 program carried out under the Housing and  
15 Community Development Act of 1974 (Budget  
16 account number: 86-0170-0-1-451).

17 (C) Economic development administration  
18 under the Public Works and Economic Develop-  
19 ment Act of 1965 (Budget account number:  
20 13-2050-0-1-452).

21 (D) The Appalachian regional development  
22 program under the Appalachian Regional De-  
23 velopment Act of 1965 (Budget account num-  
24 ber: 46-0200-0-1-452).

1                   (E) The activities carried out under section  
2                   204 of the Immigration Reform and Control  
3                   Act of 1986 (Budget account number: 75–  
4                   1508–0–1–506).

5   **SEC. 604. SAVINGS FROM WELFARE SPENDING LIMITS TO**  
6                   **BE USED FOR DEFICIT REDUCTION.**

7           (a) **DEFICIT REDUCTION.**—All savings to the Federal  
8   Government resulting from the spending cap imposed  
9   under section 601 shall be used for deficit reduction. Such  
10   savings shall not be used to fund increased spending under  
11   any programs that are not subject to the spending cap.

12          (b) **ADJUSTMENT OF DISCRETIONARY CAPS.**—For  
13   purposes of the Omnibus Budget Reconciliation Act of  
14   1993, the present discretionary spending caps shall be ad-  
15   justed for the net increase in discretionary spending that  
16   results from the creation of the welfare block grant as a  
17   replacement for current welfare entitlement programs.

18   **SEC. 605. SPECIAL RULES WITH RESPECT TO GRANTS FOR**  
19                   **ASSISTANCE TO CHILDREN BORN OUT-OF-**  
20                   **WEDLOCK.**

21          (a) **IN GENERAL.**—Effective upon the termination of  
22   funding under section 603 for the aid to families with de-  
23   pendent children program under part A of title IV of the  
24   Social Security Act—

(1) the requirement of section 440(b)(1) of the Social Security Act shall be satisfied by a State if the State had a plan in effect under section 402 of such Act during the base year (as defined in section 442(b)(2)(C)(iii) of such Act); and

(2) notwithstanding section 442(a) of the Social Security Act, the Federal savings amount for a State for a fiscal year shall be determined under subsection (b).

(b) DETERMINATION OF FEDERAL SAVINGS AMOUNT.—

(1) IN GENERAL.—The Federal savings amount for a State for a fiscal year is an amount equal to the product of—

(A) the State per capita amount for the fiscal year (as determined under paragraph (2)); and

(B) the State's excluded population for the fiscal year (as determined under section 442(b)(3) of the Social Security Act).

(2) PER CAPITA AMOUNT.—

(A) IN GENERAL.—The State per capita amount for a fiscal year determined under this paragraph is—

(i) for fiscal year 1995, the sum of—

1 (I) the average per capita  
2 amount received by the State under  
3 section 403 of the Social Security Act  
4 during the base year (as defined in  
5 section 442(b)(3)(C)(iii) of the Social  
6 Security Act); and

7 (II) the average per capita  
8 amount received by AFDC recipients  
9 (as defined in subparagraph (B)) in  
10 the State under the food stamp pro-  
11 gram under the Food Stamp Act of  
12 1977 during such base year; and

13 (ii) for fiscal year 1996 and succeed-  
14 ing fiscal years, the amount determined  
15 under this paragraph for the preceding fis-  
16 cal year updated, through the midpoint of  
17 the fiscal year, by projecting the estimated  
18 percentage change in the Consumer Price  
19 Index during the 12-month period ending  
20 at that midpoint, with appropriate adjust-  
21 ments to reflect previous underestimations  
22 or overestimations under this subpara-  
23 graph in the projected percentage change  
24 in the Consumer Price Index.

(B) DEFINITION.—For purposes of subparagraph (A), the term “AFDC recipient” means an individual who received aid to families with dependent children under part A of title IV of the Social Security Act during the base year (as defined in section 442(b)(3)(C)(iii) of the Social Security Act).

**SEC. 606. ELIGIBILITY UNDER THE MEDICAID PROGRAM.**

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(I) (42 U.S.C. 1396a(a)(10)(A)(i)(I)) is amended to read as follows:

“(I)(aa) who are receiving aid or assistance under any plan of the State approved under title I, X, or XIV, or

“(bb) who would be eligible to receive aid or assistance under the State’s plan under title XVI or part A or E of title IV, as approved on the day before the date of the enactment of the Welfare Reform Act of 1994, if such plan were in effect,”.

(b) STATE WAIVER.—A State may request a waiver from the Secretary of Health and Human Services to simplify the medicaid program eligibility criteria set forth in section 1902(a)(10)(A)(i)(I)(bb) (42 U.S.C.



1 1396a(a)(10)(A)(i)(I)(bb)) of the Social Security Act. The  
2 Secretary shall review any such waiver request and grant  
3 approval only if Federal expenditures under the medicaid  
4 program will not be increased as a result of such approval.  
5 (c) EFFECTIVE DATE.—The amendment made by  
6 subsection (a) shall be effective on October 1, 1994.

○